

The Funding Landscape of Out-of-School Time Programs in the District of Columbia

Sources of Funds, Uses of Funds, and Financing Gaps

Prepared by the D.C. Policy Center

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CENTER



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About This Report

This report received support from the District of Columbia Office of the Deputy Mayor for Education to fulfill the Office of Out of School Time Grants and Youth Outcomes Establishment Act of 2016 requirement to conduct a citywide Out-of-School Time needs assessment. United Way of the National Capital Area commissioned the report.

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List of Acronyms

| Acronym | Detail |
|----------------|--|
| 21CCLC | 21 st Century Community Learning Centers |
| ASP | Afterschool Programs |
| CBOs | Community-based Organizations |
| CYITC | The D.C. Children and Youth Investment Trust Corporation |
| DCPS | D.C. Public Schools |
| DME | Office of the Deputy Mayor for Education |
| DOES | D.C. Department of Employment Services |
| DPR | D.C. Department of Parks and Recreation |
| FY | Fiscal Year |
| LEA | Local Education Agency |
| SYEP | Marion S. Barry Summer Youth Employment Program |
| OBP | Office of Budget and Planning |
| OCFO | Office of the Chief Financial Officer |
| OSSE | Office of the State Superintendent of Education |
| OST Commission | Commission on Out of School Time Grants and Youth Outcomes |
| OST Office | Office of Out of School Time Grants and Youth Outcomes |
| OST Programs | Out-of-School Time Programs |
| PTA | Parent Teacher Association |
| SOAR | System of Accounting and Recording |
| UPSFF | Universal Per Student Funding Formula |
| UWNCA | United Way of the National Capital Area |
| WIOA | Workforce Innovation and Opportunity Act |

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Executive Summary

Understanding the Cost and Funding Structures of Subsidized OST Programs in the District of Columbia

To ensure that subsidized OST capacity can effectively meet local families' needs, it is necessary to understand how OST programs are funded, what costs OST providers face, how prices are structured for families, and how prices intersect with quality, content, hours, and other program characteristics.

This report meets this need by surveying the fiscal landscape of subsidized OST programs¹, reviewing the sources of funds (where OST programs get resources) and uses of funds (how OST programs spend money). In both these sections, the report provides detailed information on public funding and spending, and estimated revenue—including private revenue—and expenditure analysis for service providers. The report explores the potential fiscal needs of expanding OST programs, opportunities that are available to expand and better use existing funds, and the bottlenecks that might impair expansion efforts.

OST Program Sources: Where Funds Originate

Subsidized OST program providers rarely rely on resources from a single source. Rather, providers build their financial base from a variety of resources, including those from the government and the private sector. Using data from D.C. government budget documents, data provided by agencies, data collected directly from a sample of Community-Based Organizations (CBOs), and interviews with agency employees, program providers, and funders, this report attempts to sketch the landscape of OST funding in D.C.

Public (i.e., government) funds that support OST programs include federal grants and local appropriations, the latter paid for by revenue collected through D.C. taxes. The main source of federal funding for OST programs is the 21st Century Community Learning Centers (21CCLC) grant that support a large variety of organizations including DCPS, Charter Local Education

¹ This report focuses on subsidized OST programs, defined here as those that receive some amount of government or private foundation funding that subsidizes the programs' costs for some or all children and youth who attend them. This includes programs that are operated by the D.C. government, such as afterschool and summer programs operated by D.C. Public Schools (DCPS), as well as programs operated by nonprofit community-based organizations (CBOs), which may be located at schools or at other sites across the city.

Agency (LEAs), and CBOs. Additionally, Title I funds² that have not been spent during the academic year are also used to support DCPS summer programs.

In 2017, the District of Columbia established the Office of Out of School Time Grants and Youth Outcomes, or OST Office, located at the Office of the Deputy Mayor for Education (DME). Local appropriations for OST programs primarily go to grants that the OST Office distributes through United Way of the National Capital Area. D.C. also appropriates local funds to supplement the 21CCLC grants that Office of the State Superintendent of Education (OSSE) distributes. Finally, a portion of the per-pupil funding DCPS and LEAs receive is used for afterschool and summer programs. Outside the public education system, the D.C. Department of Parks and Recreation (DPR) operates summer camps using local funds and some user fees, and the D.C. Department of Employment Services (DOES) uses appropriations for the Marion S. Barry Summer Youth Employment Program (SYEP).

Sources of private (i.e., non-government) funding include grants from philanthropic foundations, corporate sponsorships, individual donations, in-kind donations, program fees charged to families, and other resources. Almost every subsidized CBO provider relies on private funding to support operations, though the mix of the private funding varies greatly across providers. CBOs also receive in-kind support such as lent equipment, teaching materials, and volunteer time, which do not always appear on financial reports.

OST Program Expenditures: How Funds Are Used

OST providers have expenditures for program-related costs such as personnel, supplies, and equipment, and overhead costs such as management of the organizations, financial management, fundraising activities, or technical needs such as computer systems. Programs must also pay for space, unless provided by a school or other organization, and may also need to pay for transportation depending on the needs of the program.

Expenditure patterns among OST program providers in D.C. vary dramatically by size of organization, age of participants, type of program, service location, and other factors. Some providers dedicate relatively large proportions of their total spending to programmatic expenditures; this was often the case for government-operated programs, which generally make use of government-owned space and administrative services that otherwise could be costly.

Among the selection of CBOs that shared financial information with the D.C. Policy Center for this report, roughly two-thirds (66 percent) of total expenditures went to programmatic costs,

² Title I is a provision of the Elementary and Secondary Education Act passed in 1965, is a program created by the U.S. Department of Education to distribute funding to schools and school districts with a high percentage of students from low-income families. Funding is distributed first to state educational agencies (SEAs) which then allocate funds to local educational agencies (LEA's) which in turn dispense funds to public schools in need. The funds can be used to support all education activities including academic support, support for children from immigrant families, interventions for children and youth who are neglected or at risk of abuse, prevention of drop-outs, school improvements, etc.

while one-third (34 percent) went to fixed costs (mostly cost of space and utilities) and overhead. However, roughly one-quarter (26 percent) of CBOs reported that programmatic expenditures accounted for less than 40 percent of total spending. Among the CBOs analyzed, salaries and benefits made up around three-quarters (76 percent) of programmatic expenditures. Staff costs tended to be relatively highest at providers focusing on academics (84 percent of programmatic expenditures), but were smaller at sports-focused organizations (67 percent), which often need to spend more on equipment and supplies.

Challenges Faced by OST Providers

In addition to analyzing revenue and expenditure trends, the report also explores challenges faced by OST providers and other stakeholders. It is clear that present public and private funding levels do not allow providers to meet the current demand or need: Affordable or free programs generally report long wait lists, and parents and caregivers often must piece together multiple forms of care to cover children's afterschool and summer hours.³ Therefore, in addition to an overall analysis of revenue sources and operating expenditures, the D.C. Policy Center also examined where funding limitations created pressures to meet costs or expand scale.

To identify and understand these constraints, the D.C. Policy Center solicited input from CBOs and OST program providers and conducted in-depth conversations with several OST program stakeholders. In this process, CBOs identified significant constraints to growing capacity in the following areas: challenges in expanding administrative capacity; revenue constraints; fluctuating expenditure trends; programmatic staffing capacity and stability; inability to secure more space due to rising costs; and matching specialized programs with participants. Each of these issues is discussed at greater length in the report.

Recommendations to Expand Capacity

Expanding the capacity of high-quality, affordable OST programs in D.C. will require both more resources and more efficient use of the resources that are currently available. Decisionmakers in the D.C. government and at private foundations should not only consider what optimal funding levels would look like, but whether current funding streams as well as existing OST programs could be managed in a different way to increase utilization and reduce per slot costs, and whether additional collaboration and coordination among donors or program providers can achieve such cost savings. There may also be opportunities to more effectively leverage federal

³ This observation is based on parent and caregiver comments during focus groups the D.C. Policy Center held as a part of its 2017 report on OST program capacity and need. For more details on this report, see "Needs Assessment of Out-of-School Time Programs in the District of Columbia," available at <https://www.dcpolicycenter.org/publications/needs-assessment-school-time-programs-district-columbia/>.

and local funding to increase private commitments, reallocate funding across different public programs, or shift some costs to families who can afford to pay.

This report's findings point to five overarching recommendations for the Commission on Out of School Time Grants and Youth Outcomes, which are discussed in greater detail in the report:

- 1. Improve data collection and analysis to identify funding trends and gaps:** Currently available data on funding sources and uses are scattered and decentralized, collected across different agencies and funding entities. The increased support for OST programs through the DME's OST Office provides an opportunity to centralize service provider information. One potential approach is the development of a common document or spreadsheet template to streamline the data collection and reporting process for funders and providers, both public and private. For local government expenditures, a budget code for OST funding might also help streamline data collection and analysis, especially for examining trends over time.
- 2. Increase funding and revenue stability for OST providers through better coordination between decisionmakers on public and private sources of funding:** Public and private funding priorities can shift and diverge over time, and on different schedules. These shifts may leave significant gaps in providers' capabilities, especially if these gaps include support for non-programmatic operations, which providers need in order to invest in their quality and capacity over time. Therefore, increased coordination between foundations and D.C. government agencies will be vital to identifying and addressing gaps going forward.
- 3. Find opportunities to help funders and providers share resources and build administrative capacity:** Smaller providers must spend a larger share of their limited resources on overhead, which limits the resources that can be directed towards providing OST programs and additionally limits their potential to expand their capacity. Funders can help them scale their efforts by providing more support for overhead expenditures. This may require a combination of adopting more flexible allowances for overhead rates in grant agreements, and helping providers share space, staff, and resources to operate more efficiently.
- 4. Balance organizational efficiency with families' needs:** The high costs associated with renting or owning a program space present a challenge for OST providers who want to locate in high-demand areas, which may lead providers to locate in areas farther away from families who would most benefit from their programs. Improving transportation options to, from, and between programs may be one way to address this issue; co-locating several programs targeting different age groups at a single campus may be an alternative.
- 5. Address providers' needs for skilled or certified staff:** Many CBOs reported that finding more skilled or certified staff is a challenge as they expand capacity, especially for part-time staff. Increased funding and compensation for skilled staff may be one way to increase availability. It may also be possible for providers with complementary schedules to share staff to afford these instructors more hours and pay.

About this report

This report received support from the District of Columbia Office of the Deputy Mayor for Education to fulfill the Office of Out of School Time Grants and Youth Outcomes Establishment Act of 2016 requirement to conduct a citywide Out-of-School Time needs assessment. United Way of the National Capital Area commissioned the report.

Data Sources Used in This Report

This report uses data from government data sources, publicly available information, and surveys of CBOs. These include:

- SOAR reports on uses and sources of government funds for fiscal years 2015 through 2018 obtained from the D.C Office of Budget and Planning (OBP).
- Budget books for fiscal years 2015 through 2019 published by the D.C. Office of Chief Financial Officer (OCFO).
- Funding information on “Summer Strong” grant recipients provided by the DME.
- Detailed funding information collected through a survey of OST program providers.

The report also incorporates some information from interviews the research team conducted with government agencies, foundations, and service providers. For detailed information on how the funding and cost estimates were developed, as well as more information on the data sources used, please see **Appendix A. Data Sources and Methods**.

Acknowledgements

This report would not have been possible without the cooperation of community-based OST providers, area foundations, District government officials, and other stakeholders who shared their experiences with researchers and responded to requests for information. Research Associate Simone Roy provided additional research and writing assistance.

I. Introduction: OST Programs in the District of Columbia

In 2016, an estimated 33,400 children and youth attended subsidized afterschool programs in the District of Columbia, and at least 15,000 children and youth participated in subsidized summer programs. These estimates are from a report the D.C. Policy Center published in October 2017 on the D.C. OST program landscape, “Needs Assessment of Out-of-School Time Programs in the District of Columbia.”⁴ That report focused on the current supply of spots at **subsidized OST programs** in D.C.—structured programs that receive funding from the federal government, D.C. government, or private foundations to provide afterschool and summer programming for children and youth from pre-K to 12th grade. It also estimated potential OST program needs under four different policy frameworks, and the corresponding gaps in supply.

Defining Out-Of-School Time (OST) Programs

Out-of-school time (OST) programs provide safe, structured, and enriching environments for young people when school is not in session. OST programs can take place before and after school, on weekends, or during the summer and other school breaks.

These programs serve multiple roles, ranging from providing quality supervision for younger children during traditional work hours to first steps into the workforce for older youth. Programs may provide children and youth with academic support and enrichment, supportive social environments, or simply serve as a safe space for children and youth to spend their out-of-school time. OST activities can help improve academic success, support the development of non-cognitive skills, and provide access to a safe place and supportive social environment.

In D.C., the landscape of subsidized OST programs includes those operated by public schools and public charter schools; those operated by other District government agencies, such as the Department of Parks and Recreation (DPR); and those operated by community-based organizations (CBOs) that receive public funding. In addition to these traditional OST programs, many older youth also participate in the Marion S. Barry Summer Youth Employment Program (SYEP), operated by the Department of Employment Services (DOES).

Beyond these subsidized programs, there are also many market-rate OST programs in the District, referred to as private providers, which are beyond the scope of this report.

⁴ The report can be accessed at <https://www.dcpolicycenter.org/publications/ost-programs-in-dc/>.

OST Program Needs in D.C. and Potential Gaps in Supply

The 2017 OST needs assessment report provided needs estimates through the lens of four different policy goals:

- Universal coverage (every child in a public school receives full or partial subsidy),
- Full coverage for children and young people in households with incomes at 130 percent of the poverty line,
- Full coverage for those designated as “at risk” for academic failure, and
- Full coverage for those in households with incomes at or below the poverty line.

By comparing current capacity with these four levels of estimated need, the needs assessment sought to identify gaps in OST program capacity across age groups and wards of the city. As Table 1 shows, there are large estimated gaps in subsidized OST capacity under the more expansive policy goals, such as universal coverage. More information is available in **Appendix A. Data Sources and Methods.**

Table 1 – Estimated Gaps in Subsidized OST Program Capacity

| Goal | Afterschool | | Summer | |
|---------------------|------------------|----------------|------------------|----------------|
| | Pre-K to grade 8 | Grades 9 to 12 | Pre-K to grade 8 | Grades 9 to 12 |
| Universal coverage | -37,600 | -12,400 | -61,600 | -6,300 |
| 130 percent poverty | -11,400 | -5,600 | -35,500 | 400 |
| "At risk" status | -1,600 | -4,300 | -25,600 | 1,700 |
| 100 percent poverty | 11,900 | 600 | -12,200 | 6,700 |

Source: “Needs Assessment of Out-of-School Time Programs in the District of Columbia,” D.C. Policy Center. October 2017.

II. Sources of OST Program Funding

This section describes the funding landscape for subsidized OST program providers in the District of Columbia.⁵ It presents a detailed analysis of the funding for each type of source and an estimate of the funds that support OST programs in D.C.

The D.C. Policy Center obtained budget data recorded in the District’s System of Accounting and Reporting (SOAR) for the previous three fiscal years. SOAR reports track sources of funding including federal, local, private, and intra-district,⁶ and tie them to programmatic activities. When funding information—especially for federal grants—did not provide a breakdown between OST programs and other types of programs, supplementary information was collected from individual agencies where possible. The amounts presented in this report summarize this information and include actual expenditures for Fiscal Years (FY) 2016 and 2017, and budgeted expenditures for FY 2018. To the extent possible, the discussion is organized at the highest level of funding source—that is, where the money first appears, and not at where the money is spent.⁷

Structure of the Funding Landscape

OST programs in D.C.—whether operated by public school or public charter schools, specific government agencies, or by non-government community-based providers—rely on both public and private funds to support operations (Figure 1, following page).

Public (i.e., government) funds that support OST programs include federal grants and local appropriations, the latter paid for by revenue collected through D.C. taxes. The main source of federal funding for OST programs is the 21st Century Community Learning Centers (21CCLC) grant program, which in D.C. is managed by the Office of the State Superintendent of Education (OSSE). 21CCLC grants support a large variety of organizations including DCPS, Charter LEAs, and CBOs. DCPS has also used Title I funds that have not been spent during the academic year to support DCPS summer programs.

⁵ This report focuses on subsidized OST programs, defined here as those that receive some amount of government or private foundation funding that subsidizes the programs’ costs for some or all participants.

⁶ Intra-district funds are those one agency pays to another for services received. For example, if a TANF client from the Department of Human Services (DHS) has a child enrolled in a DCPS afterschool program, DHS would pay DCPS for the services received.

⁷ The purpose of this approach is to avoid double-counting: Funding, especially government funding, can change hands multiple times. For example, federal grants managed by OSSE can be transferred to DCPS, or to Charter LEAs, and then to a service-providing CBO. Similarly, local funds can move from the DME to United Way of National Capital Area to CBOs. Counting these expenditures at where the funds are sourced ensures that the money is counted once.

Local appropriations for OST programs primarily go to grants that the Office of the Deputy Mayor of Education (DME) distributes through United Way of National Capital Area (UWNCA).⁸ D.C. also appropriates local funds to supplement the 21CCLC grants that OSSE distributes. Finally, a portion of the per-pupil funding DCPS and Charter LEAs receive is used for OST programs.

Figure 1 – Funding Structure for OST Programs

SOURCES OF FUNDS

| Public or Private | Type of Funding | What is it called? | Who Manages Funding? |
|---------------------------------|-------------------|--------------------------------------|--|
| Public | Federal Grants | 21st Century Learning Centers Grants | OSSE |
| | | Federal Workforce Grants | DOES |
| | | Medicaid Transfer | OSSE/D.C. Department of Human Services |
| | | Title 1 | OSSE |
| | | Title 2 | OSSE |
| | | Local Appropriations | Grants Supplementing 21CLC |
| | OST Office Grants | | UWNCA |
| | Per Pupil Funding | | DCPS and Charter LEAs |
| | Program Funding | | DOES DPR |
| | Private | Income | User Fees and Fees Charged to Families |
| Service Fees Charged to Schools | | | Service Providers |
| Rental Fees and Other Income | | | Service Providers |
| Philanthropic Sources | | Grants | Foundations |
| | | Grants and Donations | Corporations and Individuals |
| | | Fundraising Revenue | Service Providers |
| In-Kind Contributions | | Volunteers and Other In-Kind | Corporations and Individuals |

USES OF FUNDS

| Public or Private | Who Makes the Spending Decision? | Broad Program Type |
|-------------------|----------------------------------|---------------------------------|
| Public | Charter LEAs and DCPS | Afterschool and Summer Programs |
| | DOES | SYEP |
| | DPR | Summer Camps Youth Programs |
| Private | CBOs | Afterschool and Summer Programs |
| | Private Service Providers | Afterschool and Summer Programs |

Source: Authors' deliberations.

Note: Excluded from this big-picture analysis are trivial amounts of private funds that support DPR and DOES programs. DPR receives a small amount from parents as program fees (approximately \$200,000); DOES receives a small private grant to support the SYEP.



Outside the public education system, DPR operates summer camps using local funds (supplemented with relatively small fees collected from families) and DOES uses local funds for SYEP. Budget documents show other local appropriations that may in fact be supporting OST

⁸ This arrangement was put in place after the dissolution of the Children and Youth Investment Trust Corporation in 2016. The Office of Out of School Time Grants and Youth Outcomes is charge with coordinating various OST programs, aligning grants across government agencies, and implementing funding standards to ensure equitable distribution of quality OST programs to D.C. children and youth. The United Way of the National Capital Area operates as their grant administrator.

programs, but the amount spent directly on OST programming is not readily apparent from these budget documents and therefore was not included in this analysis.⁹

Private funds include grants from philanthropic foundations, corporate sponsorships, and donations from individual donors, as well as revenue from service fees, contracts with individual schools, and program fees charged to families. CBOs often also receive in-kind support such as equipment, teaching materials, and volunteer time, which are not always reported in traditional financial documents.

Government Funding Sources

When funding information from SOAR —especially for federal grants—did not provide a breakdown between OST programs and other types of programs, information collected from local agencies was used to provide a more complete picture. This report included actual expenditures for FY 2016 and FY 2017, and budgeted expenditures for FY 2018.

Government funds that flow to OST programs in D.C. follow four main paths:

1. A combination of local and federal funds administered by OSSE which move to DCPS, Charter LEAs, and CBOs;
2. Local funds administered by the DME which flow through UWNCA to CBO's and Charter LEAs;
3. Local per-pupil funds DCPS and Charter LEAs receive are partially allocated for afterschool and summer programs; and
4. Local funds appropriated to DPR for summer camps and youth programs and DOES for youth workforce development programs.

Total government funding for OST programs varied between \$59 million and \$61.2 million during the last three fiscal years, for a combined total of \$180.5 million over that three-year period (Table 2, following page). Local funding has accounted for over 80 percent of funds by government sources over this period.

Almost half (49 percent) of total government funds have supported workforce programs that are different from traditional OST programs. These programs, operated under DOES, offer work opportunities outside the school hours to youth, and the main expenditure is the stipends, wages, or incentives given to participants. Of the \$180.5 million that supported the OST programs in D.C., \$88 million supported such workforce development programs. Over the last

⁹ For example, DOES allocates approximately \$4.5 million in local funds to support its Year-Round Youth Program (in combination with some federal funds under the Workforce Innovation and Opportunity Act) serving youth ages 14-21. While the program's focus is workforce readiness, some aspects of it—especially programs located at school—have strong elements of OST programming. The Housing Finance Agency operates OST programs at various properties, but the amounts spent on the OST programs are unknown and therefore excluded from this analysis.

three years, 29 percent of government funding for OST programs was allocated to summer camps and youth programs outside the education and workforce sectors.

Table 2 - Government Funds Supporting OST Programs by Source and the Agency where Funds are Initially Budgeted

Pubic Funds Supporting OST Programs, by Source

| | FY 2016 | FY 2017 | FY 2018 | Three Year Total |
|----------------|--------------|--------------|--------------|------------------|
| Federal Grants | \$11,255,406 | \$10,980,645 | \$14,802,850 | \$37,038,901 |
| Local Sources | \$48,429,015 | \$50,199,151 | \$44,857,812 | \$143,485,978 |
| Total | \$59,684,421 | \$61,179,796 | \$59,660,662 | \$180,524,879 |

Pubic Funds Supporting OST Programs, by Appropriation Agency

| | FY 2016 | FY 2017 | FY 2018 | Three Year Total |
|------------|--------------|--------------|--------------|------------------|
| OSSE | \$15,241,279 | \$14,416,025 | \$15,728,783 | \$45,386,087 |
| DME (CYIT) | \$7,510,448 | \$4,920,000 | \$4,920,000 | \$17,350,448 |
| DCPS | \$2,689,676 | \$2,927,255 | \$3,186,428 | \$8,803,359 |
| DPR | \$6,686,918 | \$6,609,009 | \$7,373,310 | \$20,669,237 |
| DOES | \$27,556,100 | \$32,307,507 | \$28,452,141 | \$88,315,748 |
| Total | \$59,684,421 | \$61,179,796 | \$59,660,662 | \$180,524,879 |

Source: System of Accounting and Reporting (SOAR) and information collected from agencies. Fiscal Year 2018 data reflects the revised budget. Fiscal Years 2016 and 2017 are actual expenditures.



Federal Funds

During the last three fiscal years, the federal funds spent on OST programs in D.C. have varied between \$10.9 million and \$14.8 million for a total of \$37.0 million dispersed in the last three years (Table 3, following page). Federal funds have included Title I funds and 21CCLC grants, Workforce Innovation and Opportunities Act (WIOA) grants, and small dispersions from Title II grants and Medicaid grants that are no longer used for OST programs.

21st Century Community Learning Centers (21CCLC) Grant

The largest source of federal funding for OST programs has consistently been 21CCLC grants, a federal formula grant program¹⁰ that supports the creation of community learning centers that

¹⁰ A formula grant is a type of mandatory grant that is awarded based on formulaic criteria for specific types of work. The authorizing legislation and regulations define these criteria and the amount of funds to be distributed; the term “formula” refers to the way the grant funding is allocated to recipients. Medicaid, for example, is a formula grant whereby states receive a march according to a formula derived by

provide academic enrichment opportunities during non-school hours for children, particularly those who attend high-poverty and low-performing schools.^{11, 12}

Table 3 - Federal Funds Supporting OST Programs in D.C.

| Managed by | Type of Grant | Receipient | Type of OST Program | Year | | | Grand Total |
|-------------|-------------------------------------|-------------------|--------------------------|--------------|--------------|--------------|--------------|
| | | | | FY 2016 | FY 2017 | FY 2018 | |
| OSSE | 21st Century Learning Centers Grant | Charter LEAs/CBOs | OST Program | \$1,733,640 | \$1,839,091 | \$1,814,693 | \$5,387,424 |
| | | DCPS | After School Program | \$3,983,058 | \$4,000,107 | \$4,122,500 | \$12,105,665 |
| | Title 1 Grants | DCPS | After School Program | \$0 | \$0 | \$288,580 | \$288,580 |
| | | | Summer School | \$2,649,576 | \$1,911,898 | \$3,003,010 | \$7,564,483 |
| | Title 2 Grants | DCPS | Summer School | \$290,895 | \$73,344 | \$0 | \$364,239 |
| OSSE/DHS | Medicaid Transfer | DCPS | After School Program | \$50,312 | \$0 | \$0 | \$50,312 |
| | | | Summer School | \$33,798 | \$91,585 | \$0 | \$125,383 |
| DOES | Federal Workforce Grants | DOES | MBSYEP | (\$813) | \$7,739 | \$0 | \$6,926 |
| | | | Year Round Youth Program | \$2,514,940 | \$3,056,881 | \$5,574,067 | \$11,145,888 |
| Grand Total | | | | \$11,255,406 | \$10,980,644 | \$14,802,850 | \$37,038,900 |

Source: System of Accounting and Reporting (SOAR) Reports and data submitted by DC Government Agencies.

Note: The 21st Century Learning Center Grants are denoted in the SOAR reports as "Title 4 - B Funds." The SOAR report does not specify under OSSE budget how much of these funds are spent on OST Programs. For CBOs and Charter LEAs are estimated by subtracting from the total Title 4 - B funding OSSE used for Out of School Time Programs the Title 4 - B funds OSSE has granted to DCPS. FY 2016 and FY 2017 are actuals. FY 2018 is the revised budget. DOES is the acronym of Department of Employment Services. OSSE is the Acronym for Office of the State Superintendent of Education.

21CCLC grants are three-year grants, pending performance and funding availability for the subsequent years. OSSE facilitates a competitive grant process to allocate funds to providers (i.e., DCPS, CBOs, and Charter LEAs) based on the number of participants served, the needs of participants that will be served, and how closely the planned activities follow federal funding priorities and requirements.¹³ In School Year 2017-18, OSSE awarded \$11.8 million supporting 28 grant recipients that collectively served approximately 10,531 children and youth at 112 sites.¹⁴

median incomes, so long as the services they deliver are within Medicaid coverage and compliant with regulations.

¹¹ Authorized under Title IV, Part B of the Elementary and Secondary Education Act, ESEA. <https://www2.ed.gov/programs/21stcclc/index.html>

¹² These federal funds are supplemented with OSSE local funds; therefore, recipients receive a mix of federal and local funds. OSSE originally administered a separate OST program grant known as the TANF OST grant, with total funding of \$6.5 million. Starting in FY 2018 OSSE combined the \$6.5 million from the TANF OST grant into the 21CCLC funding, to offer a single OST grant program. To make administration easier, the grants OSSE makes must meet the federal 21CCLC requirements regarding use, reporting and restrictions.

¹³ A full list of requirements can be found within the grant Request For Applications.

¹⁴ This includes \$3,292,989 in continuing grants, and \$8,549,569 in new grants. Source: OSSE, "District of Columbia Title IV, Part B - 21st Century Community Learning Centers Grant Programs School Year

The 21CCLC grants have accounted for over 68 percent of federal funds for OST programs in D.C. in the last three years.

DCPS is consistently the largest beneficiary of 21CCLC grants, receiving over three-quarters of the grant funding that OSSE disperses. DCPS is also the largest OST program in the city: DCPS operates 54 afterschool programs serving approximately 5,000 children at 54 Title I schools across D.C. It is important to note that in addition to 21CCLC grants, DCPS relies on local funds and modest contributions from eligible families.¹⁵

The remainder of the 21CCLC grants are dispersed to Charter LEAs and CBOs. Budget data do not break down the amount of 21CCLC grants between Charter LEAs and CBOs. During School Year 2017-18, OSSE estimated that it awarded charter LEAs \$1.1 million, and CBOs received \$6.7 million. However, because these grants are made from a larger pool of funds that combine 21CCLC funds with \$6.5 million in local funds, it is impossible to provide a clean breakdown of how much CBOs and Charter LEAs receive from 21CCLC grants alone.

Title I Grants

The second largest federal funding resource that supports DCPS school-based OST programs is Title I funds. DCPS offers summer school programs at eight DCPS schools for approximately 2,100 children in grades K-8. DCPS Summer School operates for five weeks, from 9 a.m. to 1 p.m., with the remainder of the day from 1 p.m. to 5:30 p.m. covered by DCPS After School (or CBO-operated programs) for participating children. DCPS summer programming also includes a summer bridge program for rising 9th graders and a credit recovery program for high school-aged youth. As with afterschool programs, DCPS also partners with CBOs and other private providers to provide summer programming (including “afterschool” programming in summer afternoons) onsite at DCPS locations; a discussion of summer programs is included later in this chapter.¹⁶

At present, DCPS summer programming takes place almost entirely at schools eligible for Title I funding, and programs at those Title I schools are paid for with unspent Title I money.¹⁷ In FY 2018, this amount was approximately \$3.1 million. However, because unspent Title I funds cannot be reliably estimated in advance, there could be significant year-to-year variations on the amount of Title I Grants set aside for summer programs.

2017 - 18 Subrecipient Roster,” available at https://osse.dc.gov/sites/default/files/dc/sites/osse/publication/attachments/21st%20CCLC%202017-18%20School%20Year%20Subrecipient%20Roster_2.pdf.

¹⁵ Co-payments for families were \$83 per month in the School Year 2017-18, although they were only partially collected for that year, and reinstated at \$94.50 per month beginning in School Year 2018-19. There is no co-payment for families who demonstrate financial need, or who receive or qualify for TANF or Medicaid; for students who are homeless, unaccompanied minors, or in foster care; for students at the two included Middle School sites. More information can be found at <https://dcps.dc.gov/afterschool>.

¹⁶ More information can be found at <https://dcps.dc.gov/summer>.

¹⁷ An exception is summer programming at Woodrow Wilson High School, which is not a Title I school and therefore receives local funds.

Charter LEAs also receive Title I funding, which they may or may not be using for OST Programs.

Other Federal Grants

In FY 2016 and 2017 a small amount of federal funds not generally associated with OST programs have supported afterschool and summer programs at DCPS. These include \$364,000 of Title II funds, which can be used to hire additional teachers, and \$176,000 in Medicaid funds, which are typically used for special education services in DCPS.

Federal Grants that Support Youth Workforce Development at DOES

DOES maintains the Office of Youth Programs that provides workforce development programs for youth ages 14- 24. These include various in-school programs that would qualify as OST programming in addition to SYEP, which receive federal funding under WIOA. DOES also used \$11.1 million of federal grants for its Year-Round Youth Program. Finally, a very small amount of these funds (under \$7,000) have been spent on SYEP.

Local Funds

Between FY 2016 and 2018, the D.C. government appropriated a total of \$143.5 million for various OST programs for children and youth ages 5- 24. The annual appropriations through these three years varied between \$44.8 million and \$50.1 million.

Table 4 - Local OST Funds, by Agency and Type of OST Program

| Agency | OST Program Type | FY 2016 | FY 2017 | FY 2018 | Three Year Total |
|--------------|--|---------------------|---------------------|---------------------|----------------------|
| CYITC | OST Programs at CBOs | \$7,510,448 | \$4,920,000 | | \$12,430,448 |
| DME | OST Programs at CBOs | | | \$4,920,000 | \$4,920,000 |
| OSSE | OST Programs at LEAs and CBOs | \$6,500,000 | \$6,500,000 | \$6,500,000 | \$19,500,000 |
| DCPS | After School and Summer | \$2,689,676 | \$2,927,255 | \$3,186,428 | \$8,803,359 |
| DPR | Summer Camps | \$3,437,388 | \$3,377,188 | \$4,347,217 | \$11,161,793 |
| | Roving Leaders Youth Development Program | \$18 | \$2,769,385 | \$2,570,198 | \$5,339,601 |
| | Teen Programs for Ages 13-18 | \$3,231,291 | \$368,606 | \$349,564 | \$3,949,461 |
| | Middle Childhood Programs for Ages 6-12 | \$18,221 | | | \$18,221 |
| | OST Programs | | \$93,830 | \$106,331 | \$200,161 |
| DOES | MBSYEP | \$16,790,506 | \$19,882,531 | \$18,383,467 | \$55,056,504 |
| | Year Round Youth Program | \$8,251,467 | \$9,360,356 | \$4,494,607 | \$22,106,430 |
| Total | | \$48,429,015 | \$50,199,151 | \$44,857,812 | \$143,485,978 |

Source: System of Accounting and Reporting (SOAR)

Note: Children and Youth Investment Trust Corporation (CYITC) was folded in 2017 under DME. All funds dispersed through UWNCA. FY 2016 and FY 2017 are actuals. FY 2018 is the revised budget. DOES is the acronym of Department of Employment Services. OSSE is the Acronym for Office of the State Superintendent of Education. DME is the acronym for the Office of the Deputy Mayor for Education. DPR is the acronym for Department of Parks and Recreation. OSSE stands for the Office of State Superintendent for Education.

More than half of D.C.’s local spending on OST programs (\$77.2 million over three years) went to support various youth workforce development programs, including SYEP. School-based programs received about a third of D.C.’s local spending on OST programs (\$45.6 million over three years), and the remainder (\$20.6 million) supported various summer camps and enrichment programs organized by DPR (Table 4, previous page).¹⁸

CBO-Based OST Programs

The District has a long tradition of supporting CBOs that provide subsidized OST programs. In 1999, the city established the D.C. Children and Youth Investment Trust Corporation (CYITC) as a quasigovernmental body that would leverage government funds to raise private dollars for youth services. At its beginning, CYITC was funded with over \$30 million for expanded learning,

¹⁸ Excluded from this figure are the at-risk funding D.C. public charter schools receive as a part of their per pupil funding, used to support after school and summer programs, tutoring, “auxiliary” programs, clubs, and other enrichment activities, which could fall under traditional definitions of OST programming. Due to the scope of available public information and for the purpose of this analysis, it is not possible to summarize how much is spent on these programs, number of students served, or additional funds received for the program. The estimated revenue CBOs and other service providers received from charter schools in 2017 is between \$1.9 million to \$4.8 million, but it is not clear how much of these are paid for by school resources that can be tracked to public funds, and how much by private resources, such as money raised by PTAs. This estimate is discussed more extensively in the “Private Resources” section.

services, and opportunity for children and youth. While local funding declined over time, CYITC sought to incorporate public, private, and community funding sources that had become available, with the goal of making quality out-of-school time programs accessible to all children, youth, and families.

CYITC dissolved and closed in 2016 and its funding was folded under the DME after the city enacted the Office of Out of School Time Grants and Youth Outcome Establishment Act. DME selected UWNCA as the grantmaking partner in Fall 2018. UWNCA is responsible for running a competitive grant process and administering grants once awarded, while the DME is responsible for the establishing the competition goals, priorities and parameters.

Between FY 2016 and 2018, the District appropriated \$17.4 million to support grants to CBOs and Charter LEAs under this program. Funding available for OST grants has varied dramatically over time. In FY 2016, according to the budget reports, CYITC received \$7.5 million in funding. Expenditures fell in FY 2017 to \$4.9 million, with the funding still budgeted under CYITC but functionally managed by UWNCA. Beginning with FY 2018, these funds are budgeted under the DME, but still distributed to an estimated 60 CBOs and Charter LEAs through UWNCA. Funding for community-based OST programs is expected to increase significantly in FY 2019: The approved OST Office budget for FY 2019 is \$14.2 million, including at least \$11.7 million for grants to be distributed through UWNCA.

The last source of local funding is a supplement to the 21CCLC grants of \$6.5 million each year. As discussed in the previous section, these grants are awarded competitively, and can support CBOs, DCPS, or programs at Charter LEAs, which are often operated by CBOs.

DCPS Afterschool and Summer Programs

In addition to the federal funds reviewed in the previous section, DCPS allocates some of its own local resources received through the universal per student funding formula (UPSFF)¹⁹ to support afterschool and summer programs. According to annual budget reports, between FY 2016 and 2018, DCPS has budgeted \$8.8 million to support school-based OST programs. The bulk of these funds (\$8.45 million) was for afterschool funding, and the remainder went to supplement summer school funding.

In addition to DCPS-operated programs, some DCPS schools host afterschool programming that is provided by CBOs, or partner with CBOs to provide specialized programming as part of DCPS After School. Information about funding sources for these programs is included in the section on CBOs later in this chapter. In the case of DCPS schools that do not qualify as Title I, the funding structure—especially the amount of cost-sharing by families—appears to vary by school. For instance, some schools offer Parent Teacher Association (PTA)-organized afterschool programs

¹⁹ The UPSFF is used to determine annual operating funding for the District's traditional and charter public schools. Each school receives a level of funding determined by the UPSFF, which adjust a base funding amount by grade level and student characteristics. UPSFF also controls facilities funding for the public charter schools.

with copayments that are higher than DCPS-operated afterschool programs (in addition to required PTA dues), while others offer sliding scales based on family income or require no copayments at all.²⁰

Summer Camps at DPR

An estimated 2,100 children and youth participate in summer camp programs provided by DPR during the summer. While DPR charges fees for these camps, the bulk of the expenditures are supported by local government appropriations. Between FY 2016 and 2018, the District allocated \$11.1 million for these summer programs, while fees collected from families for summer programs during the same period totaled under \$500,000.

Other DPR Enrichment Programs

DPR also operates programs for teens between the ages of 13 and 18. The key program targeting youth in this age group is the Roving Leaders Youth Development Program, which has been in operation since 1950.²¹ Between FY 2016 and 2018, the District has appropriated \$9.2 million for these teen programs.

DPR also offers other miscellaneous afterschool activities.²² DPR programming is paid for with local funds²³, and has been relatively consistent over time. Compared to other DPR programs, the funding allocations are relatively low for these activities, totaling \$218,000 over the last three years.²⁴ There is no funding for this program in the approved FY 2019 budget.

Youth Employment Programs at DOES

SYEP provides temporary, subsidized summer employment and academic/workforce enrichment activities to eligible District youth ages 14-24.²⁵ While SYEP is a youth employment program, and therefore may not fall under the traditional definition of an OST program, it is the largest

²⁰ Any co-payment amounts for these programs are still subject to local and federal approval.

²¹ For more on Roving Leaders, see <https://dpr.dc.gov/service/dpr-roving-leaders>.

²² DPR's website describes Afternoon Access, as a free afterschool program for children and youth ages 6-12. According to the description, this program generally operates from 3:30-6 p.m. during the school week and is located at recreation and community centers across D.C. SOAR data shows small allocations to the program but the budget books show that it has been discontinued since fiscal year 2017. For details, please see <https://dpr.dc.gov/page/afternoon-access>.

²³ Many DPR camps also use SYEP youth for counselors, which represents an implicit subsidy that may not be apparent from budget documents.

²⁴ Fiscal Year 2019 budget book also shows no funding for Afternoon Access in 2018, but SOAR reports show an allocation of \$130,000 for that year.

²⁵ This report's analysis focuses on SYEP participants between the ages of 14-17.

summer activity available to high school-age youth in D.C. In 2016, 13,000 residents aged 14-24 enrolled in the program; 8,000 of these participants were between the ages of 14-17.²⁶

The vast majority of the program's expenditures are from local funds, with a nominal amount of funding coming from federal workforce grant funds and a small amount each year (often around 1-2 percent of total funding) from private grants. SYEP has received approximately \$55 million in local funds in the last three years. This money largely pays for the stipends for participants. Funding fluctuations over the last three years reflect programmatic choices: In 2017, SYEP expanded increased hourly pay rate for youth aged 22-24.²⁷ The D.C. Auditor estimated that in 2015, the average cost per youth participant was approximately \$1,460.²⁸

Finally, the Year-Round Youth Program received \$22 million of local funds in the last three years to supplement federal contributions. The local appropriations for the program declined in FY 2019 to \$4.5 million from the previous year's level of \$9.3 million.

Private Funding Sources

Common sources of private funding for subsidized OST programs include grants from philanthropic foundations, corporate support, donations from individual donors, donations raised through fundraising events, in-kind donations, revenues from service fees, contracts with schools, and user fees charged to families. Our analysis showed that most subsidized CBOs rely on private grants to support operations, though the precise mix of these grants—whether the provider relies more on grants from foundations or corporate donations—varies greatly across providers. CBOs also receive in-kind support such as equipment, teaching materials, and volunteer time, which they often do not monetize when reporting their finances. Some CBOs receive fees for services or space.²⁹ Meanwhile, fees collected directed from families constitute only a small share of OST funding for CBOs in general.

²⁶ Among those enrolled, 12,128 worked at least one hour in the program. For details, see the 2016 MBSYEP Report published by DOES. <https://does.dc.gov/sites/default/files/dc/sites/does/publication/attachments/2016%20MBSYEP%20Report.pdf>

²⁷ As of July 2017, pay rate for youth 22-24 increased from \$11.50 per hour to \$12.50 per hour. For details, see the 2017 MBSYEP Report published by DOES. Available at https://does.dc.gov/sites/default/files/dc/sites/does/publication/attachments/2017%20MBSYEP%20Report_r14_0.pdf.

²⁸ "Review of Summer Youth Employment Programs in Eight Major Cities and the District of Columbia," published April 21, 2016. Available at <http://lims.dccouncil.us/Download/35667/AU21-0044-Introduction.pdf> (page 9)

²⁹ It is important to note that some of these fees paid for services or space may not have originated as private funds. For example, if a CBO reports receiving service fees from a Charter LEA for providing after-school programming, the source of those fees is ultimately public (i.e., government.)

The estimates of private funding sources in this report rely on two sources. First, the D.C. Policy Center sent an online questionnaire to 174 CBOs³⁰ inquiring about the organization structure, services provided including locations in the city, age group served, and whether the programs were available afterschool or in the summer (or both).³¹ The questionnaire also discussed gross revenue and revenue sources. These responses were then used to build a lower-end estimate of private funding available to organizations operating in the subsidized OST program space. The second source of data used to estimate private funding sources is anonymized financial information summaries for 2018 Summer Strong grant applicants provided by DME.³² This sample, which includes an overlapping but expanded set of organizations compared with the questionnaire sample, has been used to provide an alternative, high-end estimate. A more detailed description of how these data are used to develop the estimates is available in the appendix (**Appendix A. Data Sources and Methods.**)³³

Based on these information sources, the estimated amount of all private sources that supported subsidized OST programs not provided by the government in D.C. in 2017 is between \$35.2 million and \$45.9 million. Charitable contributions from foundations, individuals, and corporations account for approximately \$24 million to \$25 million of total private sources, with fundraising events and other contributions make up the rest. Additionally, CBOs received in-kind contributions of an estimated \$2.2 to \$2.6 million. Fees charged to families generated an estimated \$1.3 million to \$1.6 million. Finally, service providers collected an estimated \$2 million to \$4.9 million from fees charged to schools. However, it is difficult to know how much of these revenues are paid for by government sources, such as Charter LEAs paying for afterschool programs with local funds, and how much by private revenue, such as family co-payments or PTA funds (Table 5).

³⁰ The questionnaire was sent out to 174 OST program providers, identified through previous needs assessment data gathering, the 2017-2018 DCPS Afterschool Program Parent/Guardian Handbook (hosted copy available at https://www.dcpolicycenter.org/wp-content/uploads/2019/03/parent_handbook_sy17-18_final.pdf), and additional web searches and other research; efforts focused on D.C.-based CBOs providing subsidized programs.

³¹ Researchers attempted to contact all OST program providers identified in the 2017 needs assessment study; OST program providers who were listed as afterschool and/or summer program providers in DCPS materials distributed to families; recent subrecipients of OST funding from the DME; and any other providers identified through other channels.

³² Based on application materials. Some of the data collected are also not included in the analysis due to differences in how the data was collected and recorded between organizations, as well as a frequent lack of detail. In addition, some organizations operate primarily as OST program providers, while for others, OST programs are one of many types of services offered. Adjustments were made to account for these differences. Many organizations may have lacked staff time to complete the online questionnaire or were unsure or inconsistent in how they responded to certain questions.

³³ From those that responded and completed the questionnaire, researchers gathered snapshots of financial information and qualitative information on challenges and cost pressures. Finally, researchers also conducted individual, in-depth interviews with a small number of providers. Taken together, these data sources can provide depth and texture to our understanding of the revenue sources of CBOs and other private providers, but they are not a representative sample or comprehensive portrait.

Table 5 - Estimated Private Resources that Support Subsidized OST Programs in 2017, by Data Source

| Source of Funds or Resources | CBO Questionnaires | Summer Strong |
|----------------------------------|--------------------|---------------|
| Foundation Grants | \$14,498,000 | \$13,988,000 |
| Corporate & Individual Donations | \$9,598,000 | \$10,443,000 |
| Events, Fundraising | \$2,952,000 | \$7,356,000 |
| Other | \$2,481,000 | \$5,180,000 |
| In-Kind Donations | \$2,212,000 | \$2,621,000 |
| Fees Charged to Families | \$1,566,000 | \$1,387,000 |
| Service fees charged to schools | \$1,891,000 | \$4,879,000 |

Source: Data reported by CBOs on a D.C. Policy Center administered questionnaire and data compiled by DME using information reported by CBOs on their Summer Strong applications.

Note: The details of the estimation methodology is described in the data appendix.

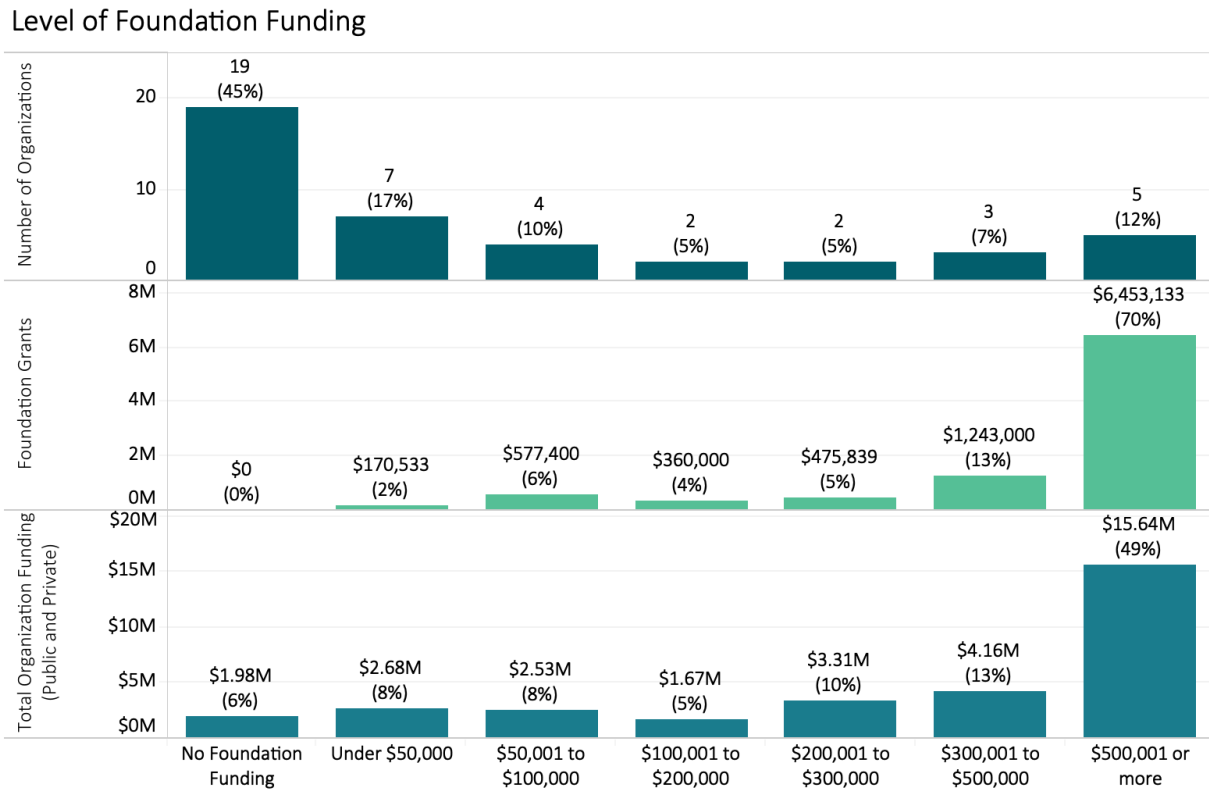
Foundation Funding for CBOs

The largest source of private funding for CBOs that operate in the subsidized OST sector is foundation grants. Yet foundation support is not ubiquitous, with significant variation by organization character, age, and focus area. Among organizations that responded to the D.C. Policy Center questionnaire, only 45 percent report receiving any support from foundations.³⁴ For these, receipt of foundation grants varies greatly: 27 percent report receiving foundation support of under \$300,000 and 29 percent receiving support over this amount (Figure 2, top panel). Foundation funding and other sorts of revenue go hand-in-hand: Organizations that receive more than \$500,000 in foundation support account for 70 percent of foundation giving (Figure 2, middle panel). (Figure 2, bottom panel). In contrast, organizations that do not report any foundation funding receive only 6 percent of all funding resources.

CBOs that report high levels of revenue from foundation sources are also likely to report significant revenue from government grants. Data reported by CBOs in response to the D.C. Policy Center questionnaire show that the amount of public resources – federal funds and local funds combined—are positively correlated with the amount of foundation giving. Among those that receive government support distributed by the D.C. government (including federal and local government sources), only a quarter report that they are not receiving foundation support; these organizations without any reported foundation support receive only 8 percent of government resources that support the subsidized OST program space. Meanwhile, mid-sized CBOs that receive between \$200,000 and \$300,000 from foundations and CBOs that receive over \$500,000 from foundations collectively account for over half of all government funding.

³⁴ Among those for which the DME reported anonymized information based on the Summer Strong applications, 66 percent report receiving support from foundations.

Figure 2 – Characteristics of Organization, by Level of Foundation Funding

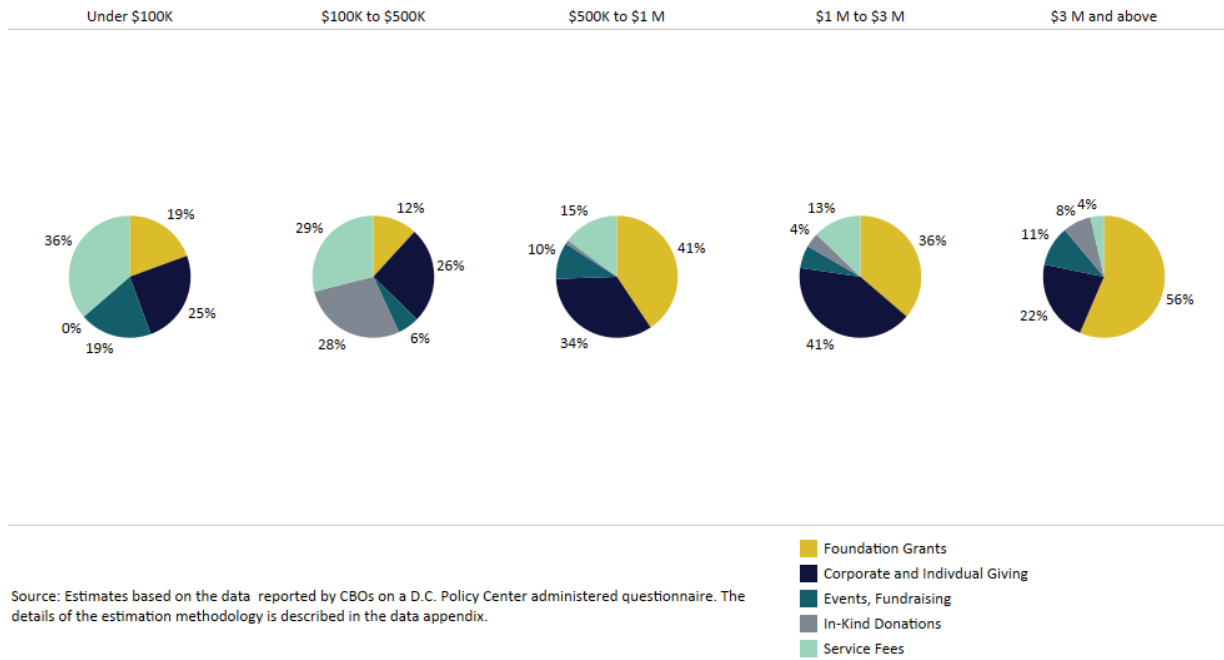


Source: Estimates based on the data reported by CBOs on a D.C. Policy Center administered questionnaire. The details of the estimation methodology is described in the data appendix.

Other Types of Charitable Giving in the OST Space

Outside of foundation support and revenue raised through fundraising events, the largest source of charitable giving is from individual and corporate donations. Here, too, foundation support appears to be an important indicator of an organization’s fundraising success. CBOs that do not have any foundation backing are not likely to have any other type of significant private charitable support: Among those that receive no foundation support (19 in the CBO sample), only 7 report receiving support from corporations and individuals, and these amounts are very small—when combined, they account for 1 percent of total corporate and individual giving for these organizations. In the same group of 19, only five report funding from fundraiser events, and only three report any other types of contributions.

Figure 3 – Distribution of Private Revenue Sources by Gross Receipts



Corporate and individual contributions and foundation giving play a significant role in generating revenues in all sizes of organizations, but among smaller organizations, program fees, charged to families or schools, generate a third or more of their revenue (Figure 3).³⁵ Overall, when nonprofit CBOs did collect program fees or co-payments, they frequently reported doing so on a sliding scale or tiered system of some kind, based on family income.

Private Funds that Support Government-Operated Programs

Private funds (i.e., revenue from non-government sources) also support subsidized OST programs operated by D.C. government agencies outside of the school system, although these are generally fees and co-payments from families (Table 6, following page). For example, in 2017, DPR summer camps collected nearly \$400,000 in fees from families, equivalent to about 10 percent of all program expenditures. At DOES, SYEP received \$260,000 in corporate grants, and also receives in-kind contributions of participating employers’ time and other resources, although these are not recorded in traditional budget documents. Finally, DCPS generates approximately \$450,000 to \$500,000 from fees collected from families for its OST programs.

³⁵ Anonymized financial information for some other CBOs suggests that user fees could account for 30-40 percent of operating revenue for some very large organizations, especially those that primarily provide services or activities other than OST programs.

Table 6 – Private Funds that Support OST Programs Provided in the Government Domain, Fiscal Years 2016-2018

Private Funds that Support Government-run OST Programs in DC

| Agency | OST Program Type | Type of Cont.. | FY 2016 | FY 2017 | FY 2018 | Grand Tot |
|-------------|-------------------------|----------------|-------------|-----------|-------------|------------|
| DCPS | After School and Summer | Fees, Co-Pays | \$460,284 | \$0 | \$502,303 | \$962,58 |
| DOES | MBSYEP | Private Grants | \$124,804 | \$260,339 | \$390,978 | \$776,12 |
| DPR | Summer Camps | Fees, Co-Pays | \$1,076,465 | \$370,028 | \$447,000 | \$1,893,49 |
| | OST Programs | Fees, Co-Pays | \$0 | \$11,163 | \$1,000 | \$12,16 |
| | Teen Programs | Fees, Co-Pays | \$7,710 | \$9,427 | \$15,755 | \$32,89 |
| | Roving Leader Program | Fees, Co-Pays | \$0 | \$7,989 | \$133,802 | \$141,75 |
| Grand Total | | | \$1,669,263 | \$658,946 | \$1,490,838 | \$3,819,04 |

Source: System of Accounting and Reporting (SOAR) Reports and data submitted by DC Government Agencies.
 Note: FY 2016 and FY 2017 are actuals. FY 2018 is the revised budget. DOES is the acronym of Department of Employment Services. OSSE is the Acronym for Office of the State Superintendent of Education. DPR is the acronym for the Department of Parks and Recreation.

Non-Subsidized OST Program Providers (Market-Rate Providers)

While this analysis does not focus on market-rate, for-profit OST program providers, the limited information available suggests that these organizations may also draw from a variety of revenue sources, including government grants and contracts in some cases. However, the typical distribution of sources is quite different: instead of donations and foundation grants forming the bulk of revenue sources, service fees (including contracts with District schools) and user fees tend to be a larger relative source. For some, the combination of user fees and service fees can account for almost the entirety of the organization’s operating revenue; however, for those that contract with DCPS or DCPCS schools to provide onsite OST programs, these service fees are ultimately paid for with government funding sources.

III. OST Program Expenditures

This section turns to the analysis of how OST providers spend their resources.³⁶ OST program providers generally have expenditures for personnel, program-related costs such as supplies and equipment, and overhead costs. Overhead costs derive from management of their organizations including financial management, fundraising activities, or technical needs such as computer systems. Programs must also pay for space, unless space is donated or otherwise provided by a school or other organization. Service providers sometimes also pay for transportation, depending on the needs of the program.

Budget Terms: “Programmatic” and “Overhead” Expenditures

Our analysis divides OST program expenditures into two main categories: programmatic expenditures and overhead.

Programmatic expenditures include any type of spending that is directly related to the provision of programming, such as wages for instructors, meals for participants, or the educational materials and supplies used in class.

The other type of spending is **non-programmatic expenditures**—often called **overhead**—which include money spent on things that indirectly support OST programs, and which support broader organizational operations. This might include senior staff members and administrative staff members who manage these programs, accounting services, fundraising efforts, or marketing staff. It also includes **fixed costs** that are costs that are hard to adjust in the short term, which might include the cost of space, and utilities, security and maintenance services for the building, or insurance.

Overhead expenditures for government-operated OST programs are generally very low in D.C., because most of these programs do not have to pay for space, which can be very costly. Secondly, the D.C. government handles a number of traditional overhead costs through other departments. For example, D.C. government-operated programs may utilize human resources functions, legal services, and financial services provided by the Department of Human Resources and the Office of the Chief Financial Officer, and these expenditures are accounted for in the budgets of those respective entities instead of DPR, DOES, or DCPS’s balance sheet. And even when human resources or financial operations personnel are included in the OST-providing agency’s budget, the agencies still benefit from other centralized systems, such as the D.C. government’s centralized accounting system and payroll system. The use of these centralized services can therefore help keep overhead costs low for government providers.

³⁶ The section analyses the spending in the government programs separately from spending in the CBO because the sources used for public funds (D.C. government budget documents) are organized very differently from how the researchers collected information from CBOs.

Even within government-provided programs, the structure of expenditures for workforce programs like SYEP is very different than OST program provided at schools or summer camps, as subsidized youth workforce programs in D.C. spend approximately 85 percent of funds on stipends or wage subsidies for participants. The remainder supports overhead and contractual services, some of which are related to program content, and others related to the cost of renting space or providing security.

CBOs also report different cost patterns compared with agency- or school-provided programs. First, the overhead costs at CBOs in D.C. are much higher on average compared to the afterschool and summer programs provided by DCPS. The estimated share of overhead costs across all CBOs for information was available is approximately 34 percent. While administrative personnel accounts for most of these funds, the cost of space for CBOs is sometimes substantial. Data from CBOs suggest that the biggest determinant of space costs is whether an organization delivers services on school property or at some other location; among those that have access to school property, only 6 percent of costs are associated with space, compared to 25 percent among CBOs that do not have access to school space. Discussed later in this section are the impacts that CBOs must report to meet the requirements imposed by grant rules or donor wishes, which often include restrictions on what the funds could be used to pay for or where they could be spent.

Expenditure Patterns in Government-Operated Programs

D.C. government agencies spent \$46.5 million on government-operated OST programs in FY 2016, \$49.5 million in FY 2017, and \$50.4 million in FY 2018 (based on the revised FY 2018 budget). Approximately 40 percent of this spending went to personnel costs, paying for full-time and part-time employees' wages and associated fringe benefits. The remaining 60 percent of spending went to non-personnel expenditures, including contractual services, supplies, materials, communication costs, security services, and energy costs (Figure 4, following page).

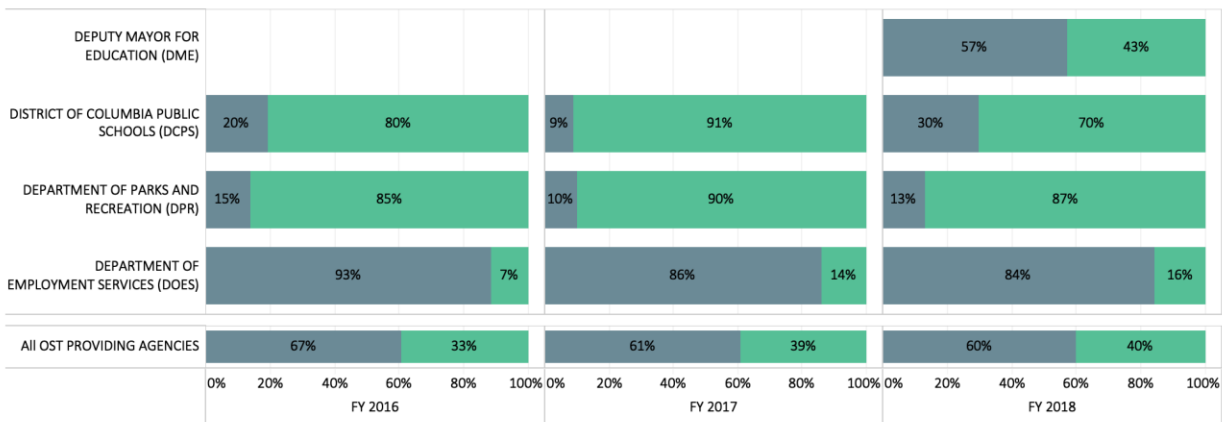
Afterschool and summer programs operated by D.C. government agencies spend nearly 90 percent of their funds on programmatic expenditures, which include staff costs, contractual services for programming, and educational materials and supplies. The rest of the funding supports overhead expenditures, paying for the central staff that manage these programs, and costs associated with the central management activities.

Figure 4 – Personnel and Non-Personnel Spending by Agency

Personnel and Non-Personnel Expenditures across All Agencies Providing OST Programs

| | PERSONNEL SERVICES | | | NON-PERSONNEL SERVICES | | |
|--|---------------------|---------------------|---------------------|------------------------|---------------------|---------------------|
| | FY 2016 | FY 2017 | FY 2018 | FY 2016 | FY 2017 | FY 2018 |
| DEPUTY MAYOR FOR EDUCATION (DME) | \$0 | \$0 | \$513,723 | \$0 | \$0 | \$681,277 |
| DISTRICT OF COLUMBIA PUBLIC SCHOOLS (DCPS) | \$8,186,944 | \$8,208,942 | \$7,795,012 | \$1,970,655 | \$795,247 | \$3,307,809 |
| DEPARTMENT OF PARKS AND RECREATION (DPR) | \$6,924,859 | \$6,601,081 | \$7,236,534 | \$1,134,279 | \$749,583 | \$1,084,334 |
| DEPARTMENT OF EMPLOYMENT SERVICES (DOES) | \$3,267,926 | \$4,582,051 | \$4,738,332 | \$24,972,796 | \$28,541,759 | \$25,077,972 |
| Total | \$18,379,728 | \$19,392,073 | \$20,283,601 | \$28,077,729 | \$30,086,590 | \$30,151,391 |

Personnel and Non-Personnel Expenditures by Agency (%)



Source: D.C. System of Accounting and Recording (SOAR) Reports.
 Note: Fiscal Year 2016 and Fiscal Year 2017 are actual expenditures. Fiscal Year 2018 is the revised budget information. The table presents information on actual amounts spent in government-based OST Programs regardless of the source of funding (local, federal, or private). The totals are different from what is presented for the "uses of funds" section because not all funding provided through public sources is spent in government domain. Specifically, funds that flow from OSSE and subsidies paid from CYITC and DME are excluded as these funds are either spent by the CBOs outside the government, and if they are spent by DCPS, then they are recorded under the DCPS expenditures.

Category
■ PERSONNEL SERVICES
■ NON-PERSONNEL SERVICES

However, there are great variations in personnel and non-personnel expenditure patterns across agencies and across different types of OST programs:

- The **DME** is the smallest entity in the D.C. government’s OST landscape, essentially serving as the “overhead” associated with coordinating funding that flows from the D.C. government into the OST program providers; the DME’s budget is almost equally split between personnel and non-personnel expenditures. The DME budgets its OST funds at the OST Office, and these amounts support both the agency personnel and other non-personnel expenses, including the contract fees paid to UWNCA for its management of OST grants.
- **DCPS** and **DPR** both provide direct services through the summer and afterschool programs and have similar spending patterns—for instance, a relatively large share of their budgets are allocated to personnel expenditures which include those located in the classrooms and instructors who work as camp counselors. Both of these entities spend a large portion of their non-personnel funds on contracts, which also include OST programming directly delivered to participants.

- At **DOES** the bulk of OST-related funds are spent on stipends for youth who participate in SYEP and in the Year-Round Youth programs. These stipends are recorded as non-personnel expenditures, and because they are large (\$21 million to \$25 million) they have a large impact on the overall spending patterns.

Figure 4 does *not* include funds that flow from OSSE and subsidies paid formerly from CYITC and now from DME, as these funds are either spent by the CBOs outside the government, or spent by DCPS and recorded under DCPS expenditures. There is some overhead associated with managing federal grants at OSSE, but it is not possible to discern that amount based on the OSSE budget structure. The expenditure patterns for each of these four agencies are described in greater detail in **Appendix B**.

Expenditures at CBOs

As with revenue analysis, an analysis of OST-related expenditures by CBO providers is difficult due to a lack of comprehensive data, consistent records, or uniform reporting of expenditures. The expenditure analysis in this section draws largely from information collected directly from CBOs through a D.C. Policy Center-administered questionnaire, as well as the anonymized Summer Strong grant application materials provided by the DME.³⁷

Based on these sources of information, we estimate that CBOs in D.C. spent between \$44.1 million and \$55 million in 2017.³⁸ Of this amount, CBOs spent approximately 66 percent on personnel, including both program staff and those engaged in administrative and management functions that directly support programs. The remainder supported overhead costs including fixed costs such as costs of space (whether leased or owned), administrative expenditures (including centralized administrative personnel), and other fixed costs such as utilities and insurance.

In the sample, 43 percent of the CBOs that operate in the subsidized space (10 organizations) spend more than 80 percent of their funds on program-related expenditures. In contrast, 25 percent (7 organizations) spent less than 40 percent of their total expenditures on programs.

Programmatic Expenditures

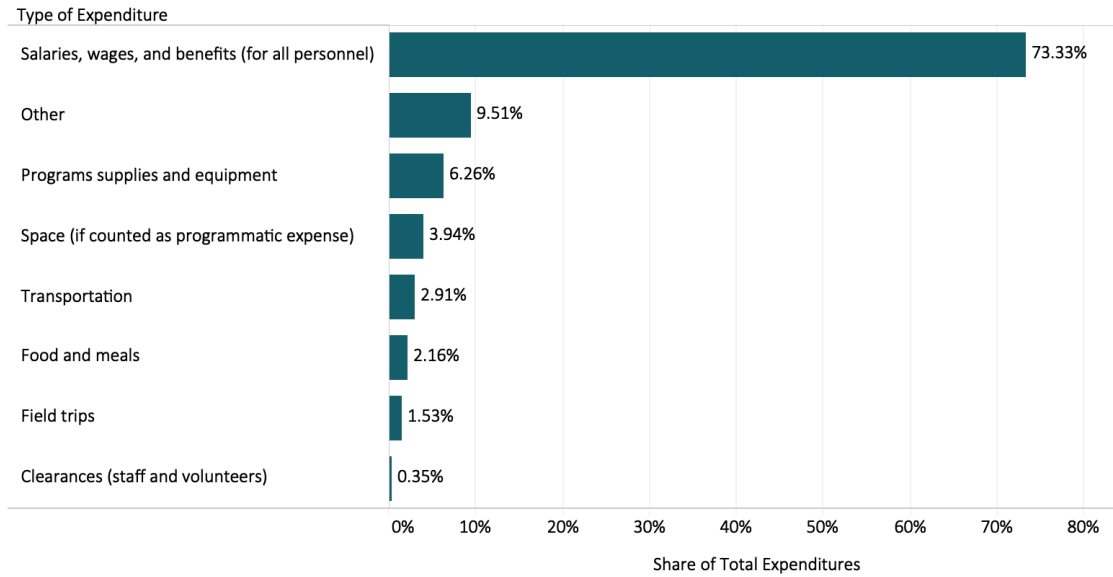
Among programmatic expenditures, salaries and benefits are the largest category of spending, making up 73 percent of programmatic expenditures (Figure 6, following page), although there are some notable variations by size of organization. For small organizations with annual budgets of less than \$500,000, salaries and benefits made up just under three-quarters of programmatic

³⁷ Individual responses were spot-checked against tax filings from publicly available Federal Tax Form 990 data when possible in order to ensure that the information was generally in line with other forms of reporting.

³⁸ Excluded from this amount are the in-kind services that are used but not recorded in spending accounts.

expenditures, but there is great variation—some small organizations report that only 10 percent of their budget goes to staff costs, while some report that staff costs make up as much as 95 percent of their budget. For organizations with annual revenues of at least \$2 million, salaries and benefits accounted for 90 percent of programmatic expenditures (Figure 6, following page).

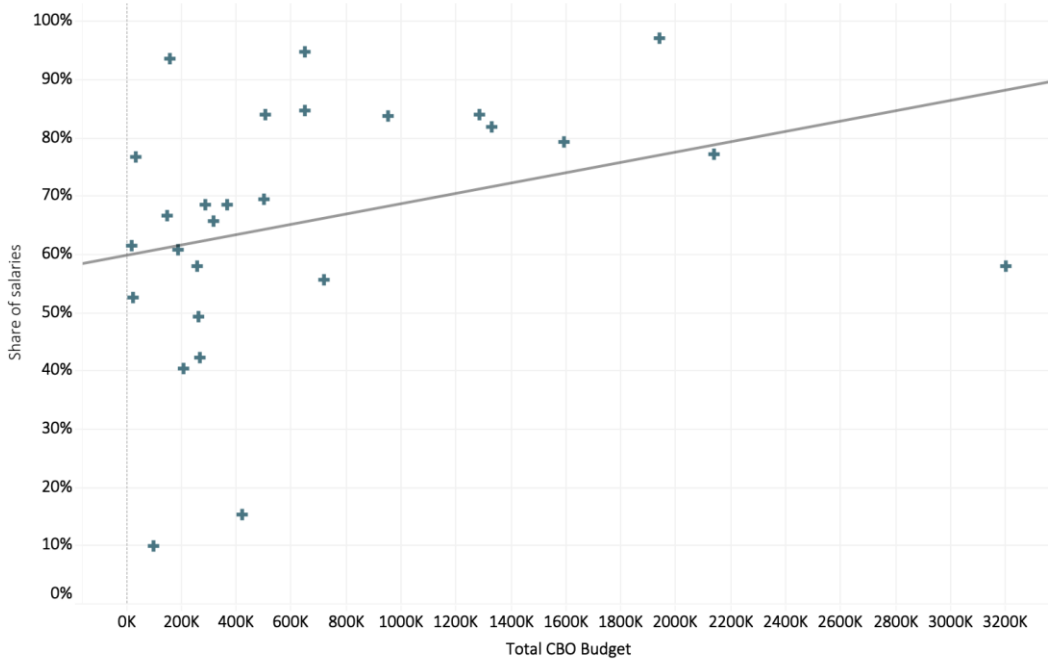
Figure 5 – Programmatic Expenditures as a Share of Total Expenditures, by Type of Expenditure



Source: Data reported by CBOs on a D.C. Policy Center administered questionnaire and data compiled by DME using information reported by CBOs on their Summer Strong applications. The details of the estimation methodology are described in the data appendix.



Figure 6 – Distribution of Share of Expenditures on Salaries by Total CBO Budget



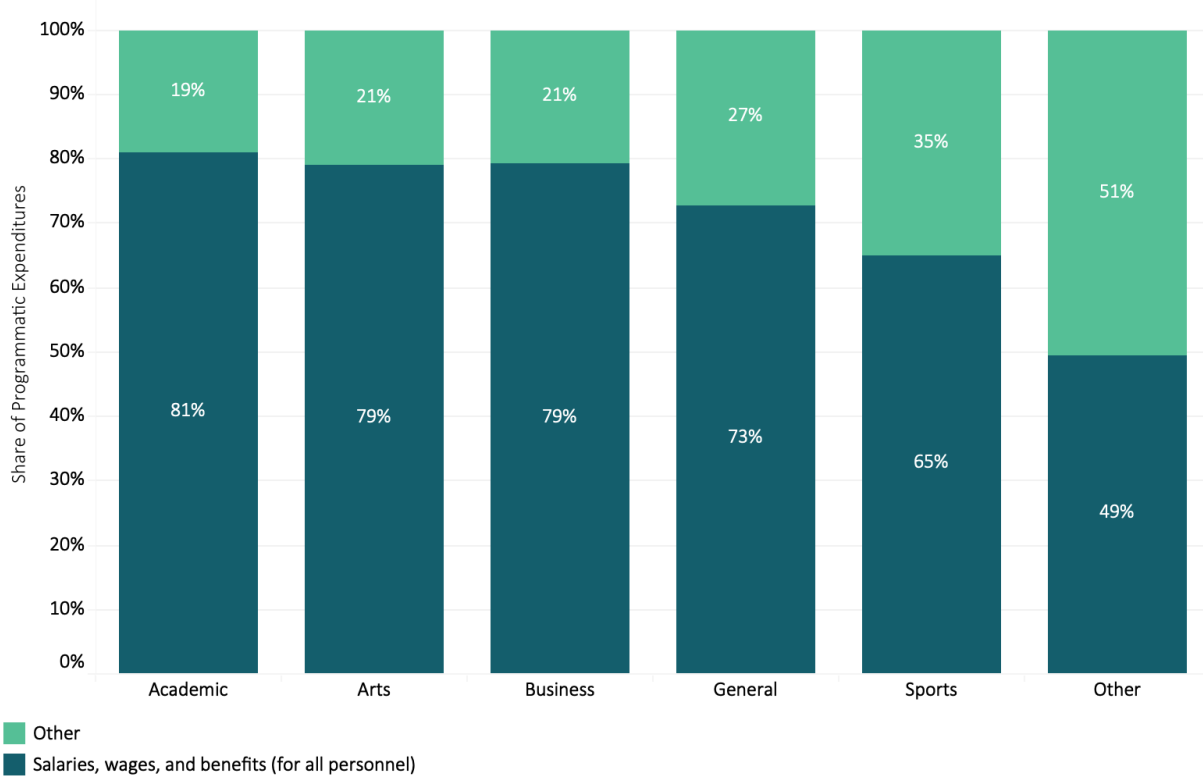
Source: Data reported by CBOs on a D.C. Policy Center administered questionnaire and data compiled by DME using information reported by CBOs on their Summer Strong applications. The details of the estimation methodology are described in the data appendix.



Program supplies and equipment were the next largest programmatic expenditure (about 6 percent), and made up a larger portion of programmatic expenses for the smallest organizations (15 percent) compared with the largest ones (3 percent). However, supplies and equipment can easily account for more than 20 percent of a large OST program provider’s *total* operating expenditures if the provider is focused on specialized activities like sports or music.

Space-related to programs takes about 4 percent of programmatic expenditures, and each of the three other cost categories— those associated with field trips, food and meals, and staff clearances—generally accounted for less than 5 percent of programmatic expenditures.

Figure 7 – Staff Costs as a Share of Programmatic Expenditures, by Program Focus



Source: Data reported by CBOs on a D.C. Policy Center administered questionnaire and data compiled by DME using information reported by CBOs on their Summer Strong applications. The details of the estimation methodology are described in the data appendix.

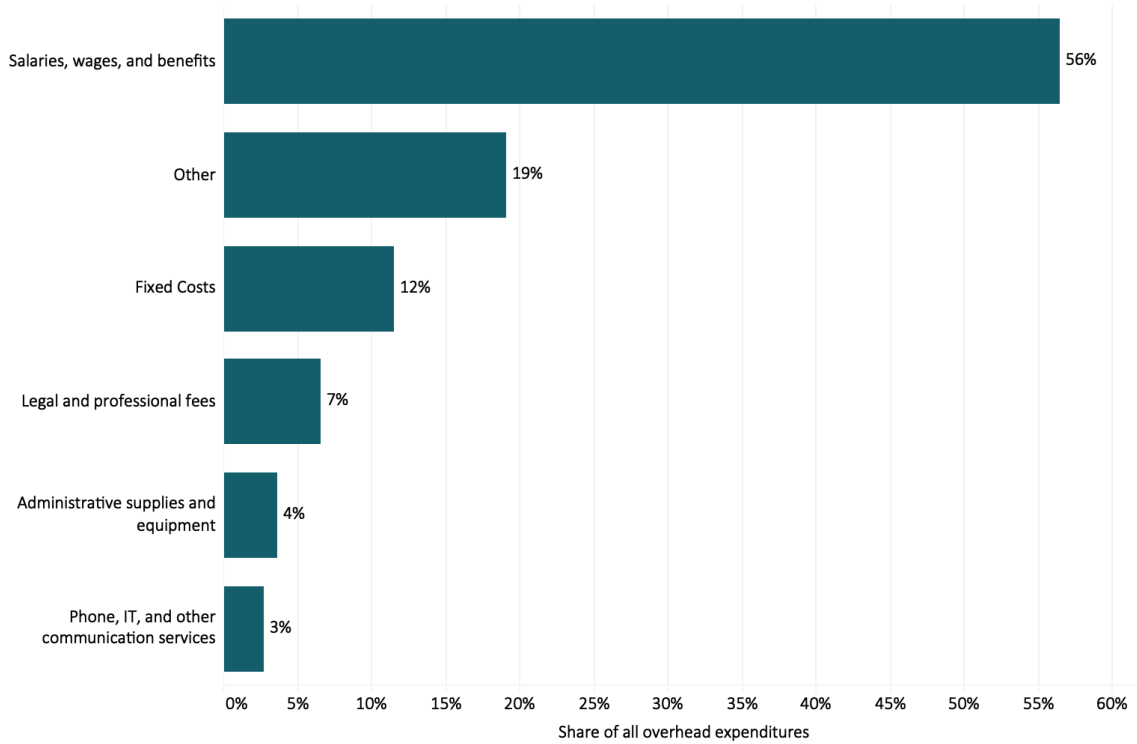
Staffing costs account for the largest share of programmatic budgets in specialized programs that focus on academics, arts, and business education. For CBOs providing these programs, staff salaries account for approximately 80 percent of all programmatic expenditures, while programs in the sample with mixed focus areas spend about 73 percent of their budgets on staff salaries, and programs focused on sports spend about 65 percent on staff (Figure 7).

Overhead costs

The D.C. Policy Center questionnaire also solicited information on overhead costs, including management personnel, administrative costs, and fixed costs. As noted previously, the relative size of overhead expenditures at CBOs is high compared to government-operated programs (at about 35 percent of total costs.) Among CBOs, salaries and benefits were also the largest overhead expense, although to a lesser extent than with programmatic expenditures (Figure 8).³⁹ Salaries and benefits account for roughly 56 percent of overhead costs.

³⁹ Costs that were recorded as “other” were much larger—19 percent—for larger organizations than for smaller organizations. This is likely a reflection of the higher level of detail in record-keeping in large organizations, making it difficult to put their costs into the broader categories listed on the questionnaire.

Figure 8 – Distribution of Overhead Expenditures at CBOs



Source: Data reported by CBOs on a D.C. Policy Center-administered questionnaire.

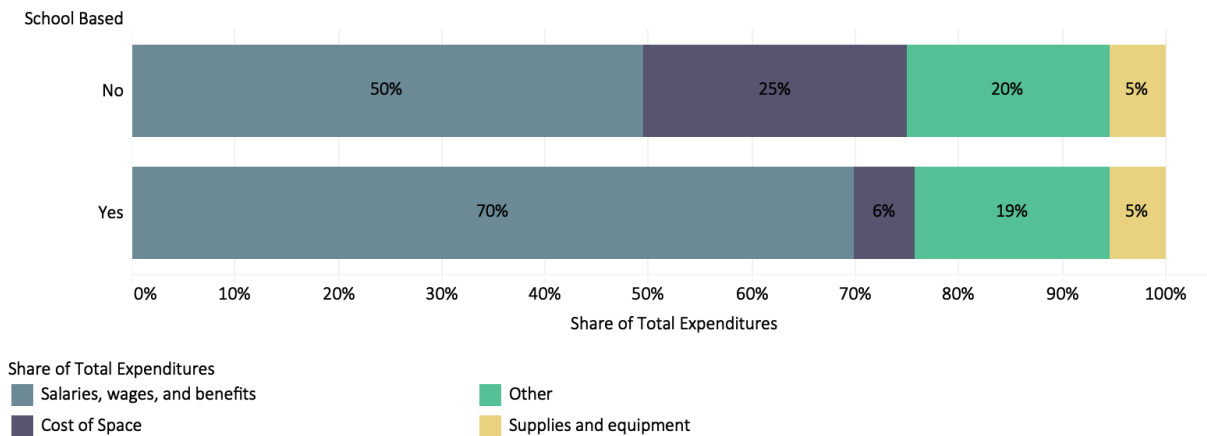


Across all expenditures incurred by CBOs, fixed costs—costs associated with space, insurance, and utilities that do not scale linearly—were approximately 12 percent of all expenditures, but varied greatly across organizations. For example, one-third of the CBOs with positive expenditures reported for 2017 did not report any expenditures for space.⁴⁰

Space costs—especially those associated with program delivery—can be a significant burden for CBOs. There is a large variation in how much CBOs spend on space: approximately 29 percent of those that participated in the D.C. Policy Center survey report paying under \$30,000 per year on their leases and rentals, and a similar share report spending more than \$90,000 each year.

⁴⁰ Eight of the 26 in the sample.

Figure 9 – Cost Category Composition by Program Location



Source: Data reported by CBOs on a D.C. Policy Center-administered questionnaire.



The cost of space is closely connected to whether a program takes place on a school property or must secure a different location (

Figure). For providers serving participants on school properties, the share of costs associated with space (lease, rentals, insurance) is only 6 percent of all their costs, on average. This is likely because schools often provide space for OST programs at no cost or at reduced rates. In comparison, CBOs that must secure a separate location for programs spend nearly a quarter of their total annual budgets on space.

Spending Restrictions

CBOs that rely on grants from foundations and government sources must usually meet certain spending requirements or follow specific spending restrictions. For example, funders can restrict the amount that CBOs can spend on overhead to a certain share of the total grant, limit the types of expenditures CBOs could incur with the grant funds (personnel, fixed costs, etc.), or impose geographic limitations on their spending. Funders may also restrict how much can be spent on food, or limit use to certain types of equipment.

The D.C. Policy Center questionnaire inquired about such spending restrictions, and responses to this question suggest that of all the resources expended in the subsidized OST sector operated by CBOs in 2017, 57 percent of funds were subject to severe restrictions, meaning that funders limited the types of expenditures on 50 percent or more of their giving. Respondents most often mentioned the 21CCLC requirement that funds can only be used to pay for “front-line”

(programmatic) staff, which makes it more difficult to pay the expenditures needed for administrative staff.⁴¹

⁴¹ Beginning FY19, 21CCLC grants removed the limitation that no more than 50 percent of direct program staff expenses could be reimbursed by the grant.

IV. Challenges and Opportunities

The D.C. Policy Center’s previous report on the capacity and need for OST Programs found that current public and private funding levels do not allow providers to meet the current demand or need for subsidized OST programs in D.C.; affordable or free programs generally report long wait lists, and parents and caregivers often must piece together multiple forms of care to cover children’s afterschool and summer hours. Therefore, in addition to the overall analysis of revenue sources and operating expenditures discussed previously in this report, the D.C. Policy Center also examined the areas where program providers experience cost pressures or have difficulty in expanding their programs because of funding restrictions.

To learn more about cost pressures and scale constraints, the D.C. Policy Center solicited feedback from dozens of CBOs and other OST program providers, and conducted in-depth conversations with several stakeholders positioned at various points in the OST funding landscape. The following analysis is therefore highly qualitative; while it should not be taken as a comprehensive overview of the pressures facing OST program providers in D.C., it can offer avenues for discussion and additional research.

D.C. Government-Operated Programs

In general, D.C. government-operated OST programs report facing high demand from local families, with long waitlists, and are usually offered on a first-come, first-served basis. DCPS programs sometimes charge eligible families a modest co-payment amount, and DPR’s “REC” summer camps require a very low fee for D.C. residents.⁴² SYEP is open to all D.C. youth, with no charge for participation. Because subsidies are built into the underlying fee structure for families (including lack of fees, for free programs), they functionally support all participants at the same level. This means that all families—including to middle- and higher-income families—can use subsidized slots, and when slots are limited, participants from higher-income families could potentially occupy those slots instead of participants from lower-income families.

How the D.C. government should address this problem depends on its precise goals in expanding OST programs, but at a minimum increasing equitable access would require increasing overall supply. Beyond increasing the system-wide public funding of these programs, instituting and/or increasing fees for higher-income families on a sliding scale may be an additional way to increase the overall amount of funding available for subsidized OST programs, and therefore expand capacity and quality. The latter approach would need to be done in harmony with other policy goals and without imposing undue reporting burdens on families or providers.

⁴² Specialized DPR camps often charge higher fees, but with tiered co-payment structures available for eligible families. Source: DPR Summer Camps information page, “Camp Registration Fees and Payments,” last accessed December 2018. Available at <https://dpr.dc.gov/service/summer-camps>.

Programs Provided by Community-Based Organizations

Expanding Administrative Capacity

Several CBOs reported that securing funding for administration and overhead was difficult, and they face strong pressures (including grant requirements) to keep their overhead funding ratios low. While some CBOs have access to administrative services as an in-kind donation from a larger partner organization, relatively few funders offer to pay for areas like development, security, or communications. However, CBOs noted that they still need to be able to invest in these functions to operate effectively and to maintain or grow their OST program capacity, especially given the substantial recording-keeping and reporting required by many public and private funders.

Even when donors are willing to fund overhead costs, these functions may not scale smoothly for very small organizations, hindering their attempts to increase capacity. For example, if a very small organization has only one staff member focused on administrative functions, bringing an additional full-time staff member on to this role would then result in a doubling of administrative staffing costs. Centralized, shared administrative resources may therefore be one avenue for helping smaller organizations operate more efficiently, seek more funding, and meet reporting requirements more easily. *Very* small organizations may also operate more efficiently if merged into a larger organization, although many have been operating independently for decades and may not wish to or be able to overhaul their organization in this way.⁴³

Addressing Revenue Constraints and Smoothing Expenditure Trends

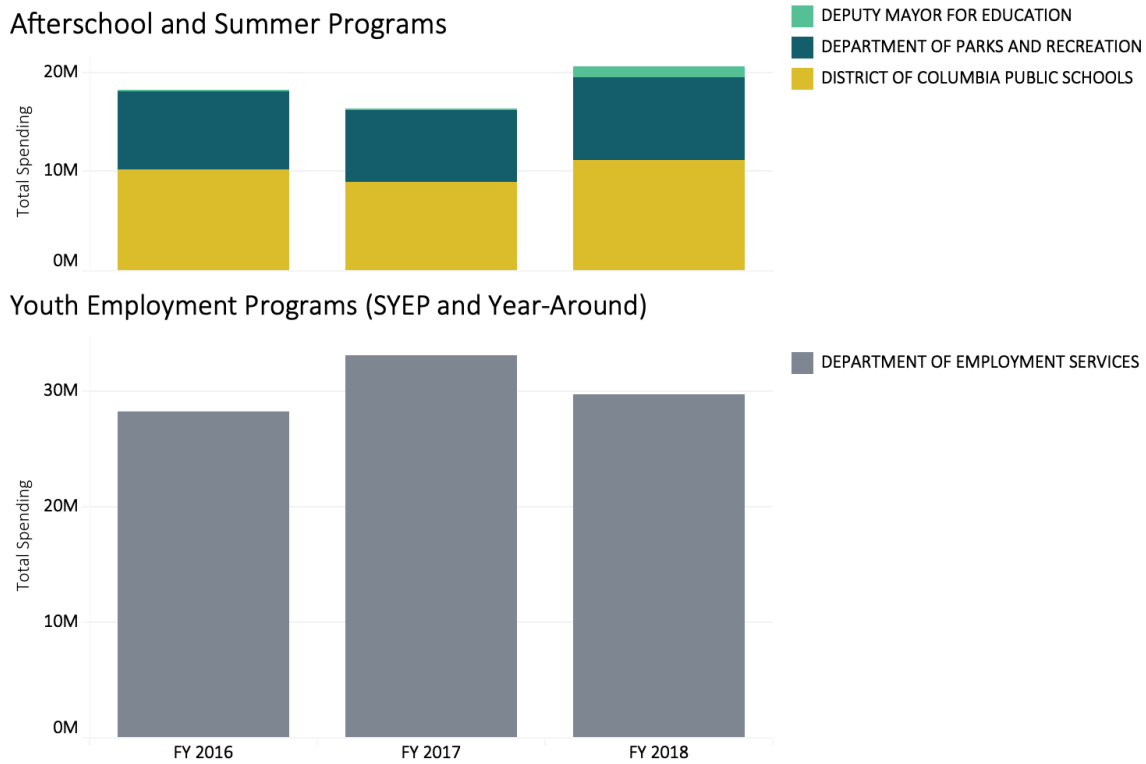
Current public and philanthropic funding levels appear to be the biggest constraint preventing most nonprofit and government-operated OST program providers from serving more children and youth. Public funding appeared to be less of a constraint for organizations that have relied exclusively on program fees, or for some small providers based in much larger organizations. Consistent funding was also an issue; though many private and government grants are for multiple years, there are few alternative sources of funding if a funder's priorities change and they decide to move away from funding OST programs, making long-term planning difficult.

Furthermore, the amount of spending at government-operated OST programs is not necessarily tied to need or demand. While broader OST-related spending increased in the last three years, this has been largely driven by a larger SYEP budget. In fact, spending that supports government-operated afterschool and summer programs declined from \$18 million in FY 2016 to \$16 million in FY 2017, despite increases in OST program enrollments (**Figure 10**). Sometimes, the changes are due to external events—for instance, the dissolution of the CYITC led to an immediate drop

⁴³ According to DME, OST Office has reduced reporting requirements for the small grants of \$25,000 to smaller organizations, to help them with administrative costs.

in OST funding in D.C., followed by a general increase alongside the full establishment of the OST Office.

Figure 10 –Comparison of Afterschool/Summer Programs to Youth Employment Offered by D.C. Government



Source: D.C. System of Accounting and Recording (SOAR) Reports.

Finally, funding delays or funding that is unevenly distributed throughout the year can pose a challenge for smaller organizations. For grants that are reimbursable, or which are distributed after the fiscal year has already started, CBOs must have the cash reserves or other resources to be able to handle up-front costs, as well as sufficient staff time and knowledge to manage tracking and reimbursement processes.

Expanding Staffing Capacity and Stability

Staffing that requires specialized training was frequently identified as a potential bottleneck for increasing future capacity. Due to the nature of OST programs, particularly afterschool programs, demand is concentrated at a particular time of day, when skilled staffing often comes from a limited pool of candidates. It can be especially hard for programs to attract consistent skilled staff at current pay levels, particularly if those positions are part-time and require varying or nontraditional hours.

Concerns about staffing as a scaling constraint apply to government-operated programs as well as CBOs. For example, efforts to expand DCPS After School capacity could likewise be limited by the challenges of recruiting DCPS teachers to staff the academic enrichment portion of the afternoon,⁴⁴ as there is a limited number of DCPS teachers available at each school from which to recruit.⁴⁵

Addressing Space Constraints

Space was often—but not always—a challenge for CBOs. Very small organizations which do not own space may face rising rents as well as funding restrictions on overhead. Even for providers for whom space was not an immediate concern, such as those who owned their space or who had long-standing arrangements to use donated space, space could be a limiting factor for future expansion.

Matching Specialized Programs with Target Populations

There are barriers beyond capacity. A singular focus on capacity, without funding dedicated to reduce other barriers, such as funding transportation or helping providers locate closer to their target communities, may leave some communities unserved or underserved. Many CBO providers, especially smaller providers, serve specific populations, such as low-income children or youth in a specific geographical area. Many of the barriers identified by families and participants in the 2017 needs assessment, such as transportation and caregivers' work schedules, may prevent families from taking advantage of programs that would be best targeted toward their children's needs and interests.

⁴⁴ DCPS After School typically includes a teacher-led Academic Power Hour.

⁴⁵ There appears to be a larger pool of potential DCPS After School paraprofessionals, who are paid a lower hourly rate and must meet a different set of education and certification requirements than teachers.

V. Recommendations

As with the 2017 needs assessment report, this report includes many of the same recommendations for the OST Commission in regards to improving ongoing data collection and analysis, and engaging families, OST program providers, and funders in more conversations about improving OST program availability, accessibility, and quality.

When examined as a system, there are many opportunities to expand programs by improving coordination among the government, private funders, and service providers. These opportunities include:

- Reallocating funding across different types of government programs to better meet needs;
- Creating shared resources, such as financial services or acquisition programs, that could reduce costs and improve financial management at CBOs;
- Looking for opportunities to share space or means of transportation; and
- Reexamining the funding structure with an eye towards increased cost-sharing by families who are able to afford higher rates.

Data Collection and Analysis

In order to more fully understand the OST funding landscape, and identify the most pressing needs and opportunities, more comprehensive data is vital. As the OST Office engages with families, providers, and funders across the city, stakeholders should discuss the information needs and how that data can be collected. These conversations can include the need to:

- Collect funding and expenditure data in a standardized format across government and community-based partners in ways that serve stakeholders needs without placing an unnecessary burden on providers.
- Develop a common document or spreadsheet template to streamline the data collection and reporting process for funders and providers, both public and private.
- Create a budget code for OST funding in the District's SOAR system.
- Collect information on program expenditures and grant amounts across different types of programs (by size, focus, location) in order to inform the mix and level of funding necessary to serve students' diverse interests.

Funding, Revenue, and Accountability

Increasing the capacity and accessibility of existing OST programs will require increasing overall funding levels, making funding more consistent through long-term commitments, while ensuring programs are meeting quality requirements:

- Increase coordination between foundations and D.C. government agencies to ensure that increased commitment in one sector (public or private) supplements and does not supplant funding from the other.
- Increase understanding of the types of spending restrictions that exist across the public and private funding spheres to ensure that these restrictions are complementary, not duplicative across different funders.
- Identify funding needs by OST programs' area of focus, location, or age group served regardless of the agency or the program serving them. At present, funding decisions are siloed at the agency level in the D.C. government, and funding assessments are done for each program and not for the entire OST sector. This means groups that have traditionally been underserved will likely continue receiving little support. However, increased funding for OST Programs in the FY 2019 budget present an opportunity for such a needs assessment. Some needs are already apparent, such the scarcity of options for young people in middle school identified in the 2017 report. In addition, summer OST program options for older youth are dominated by the Summer Youth Employment Program, with relatively few other subsidized options for older youth who are interested in different types of programs.
- Redirect more of the subsidies to families in need and increase cost sharing for those who are able to pay through a sliding co-payment structure. This would significantly increase and diversity of programs' funding streams without putting an undue burden on low-income families, although one challenge in doing so would be to avoid increasing overhead costs for providers and the amount of paperwork required from families.
- Diversify resources by seeking additional federal funding or reallocating existing local funding to programs that can meet greater needs, when and where appropriate. For example, the D.C. Auditor's recent report on SYEP recommended seeking more federal funding through WIOA, which would then be targeted at serving at-risk youth, as well as more private funding. If this can be done, then local resources freed can be deployed to meet other needs.
- Help community-based providers to seek additional federal funds, or even local in-kind resources, potentially through additional centralized administrative support to locate, secure, and coordinate these resources. This could be done either through a government-based entity that advises CBOs, or some other organization focused on capacity-building at CBOs.

Resource-Sharing and Capacity-Building

As providers attempt to increase capacity, one step that funders can take to help them scale their efforts is providing more flexibility for overhead expenditures:

- Adopting higher allowances for overhead rates in grant agreements. It is possible, however, that higher overhead allowances allow for reduced programming if used inefficiently.
- Helping providers plan and look for opportunities for shared-resources. Many smaller organizations need to expand their administrative functions in order to more effectively fundraise and meet reporting requirements; some may be able to share a centralized accounting service, communications team, transportation service, or security service, for example.
- Reduce or streamline reporting requirements to limit overhead costs.
- Help CBOs find opportunities to share operating space, or identify other unused spaces across the city where CBOs can operate. CBOs might be able to co-locate programs in unused schools, commercial buildings close to public transportation, or libraries.

Balancing Efficiency with Families' Needs

One challenge will be to balance organizational efficiency with the logistical needs of local families. For example, national studies show that costs are greater for all-ages programs compared with programs targeted at specific age groups—but those all-ages programs may be more convenient for families with multiple children, or for teens who are parenting or watching younger siblings.⁴⁶ Therefore, what is most cost-effective from a provider's standpoint may not be most effective for many families. To reduce demand-side constraints and barriers:

- Improve transportation options to, from, and between programs. Explore the potential of co-locating several programs targeting different age groups at a single campus to reduce transportation challenges for families with multiple children.
- Identify funding for expanded hours of operation.

Addressing Staffing Constraints

Many CBOs reported that finding more skilled or certified staff is a challenge as they expand capacity, especially for organizations that seek staff to work part-time and/or varied schedules. Increased funding to improve compensation for skilled staff may be one way to increase availability. Additional options may include:

⁴⁶ Jean Baldwin Grossman, Christianne Lind, et al. (2009), *The Cost of Quality of Out-of-School Time Programs*, the Wallace Foundation, available at <https://www.wallacefoundation.org/knowledge-center/pages/the-cost-of-quality-of-out-of-school-time-programs.aspx>.

- Create opportunities for providers with complementary schedules to share staff across the day or week to afford these instructors more hours or full-time positions. This could be done through a staff-sharing agreement, or a broader resource-sharing agreement that makes use of a central entity, as discussed above. Funders could provide such an entity with seed money.
- Coordinate with local colleges and universities in the region to develop and expand career-related degrees, and create capacity inside the government to play an active role in connecting organizations and college students, especially for summer positions.
- Leverage SYEP by increasing coordination with CBOs to place more youth at these organizations during the summer, and/or provide more intensive training to the SYEP participants placed in OST-related roles at the start of the program.

APPENDIX

The Funding Landscape of Out-of-School Time Programs in the District of Columbia

Sources of Funds, Uses of Funds, and Financing Gaps



D.C. POLICY
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Appendix A. Data Sources and Methods

Data Used for Estimation of OST Program Capacity and Needs in the District of Columbia

Economic and demographic data are from the U.S. Census and American Communities Survey (ACS) data extracts. When possible, the report cites ACS data extracts compiled by D.C. Action for Children’s KidsCount.org data tool (datatools.dcactionforchildren.org). School enrollment data are from OSSE audited enrollment reports.

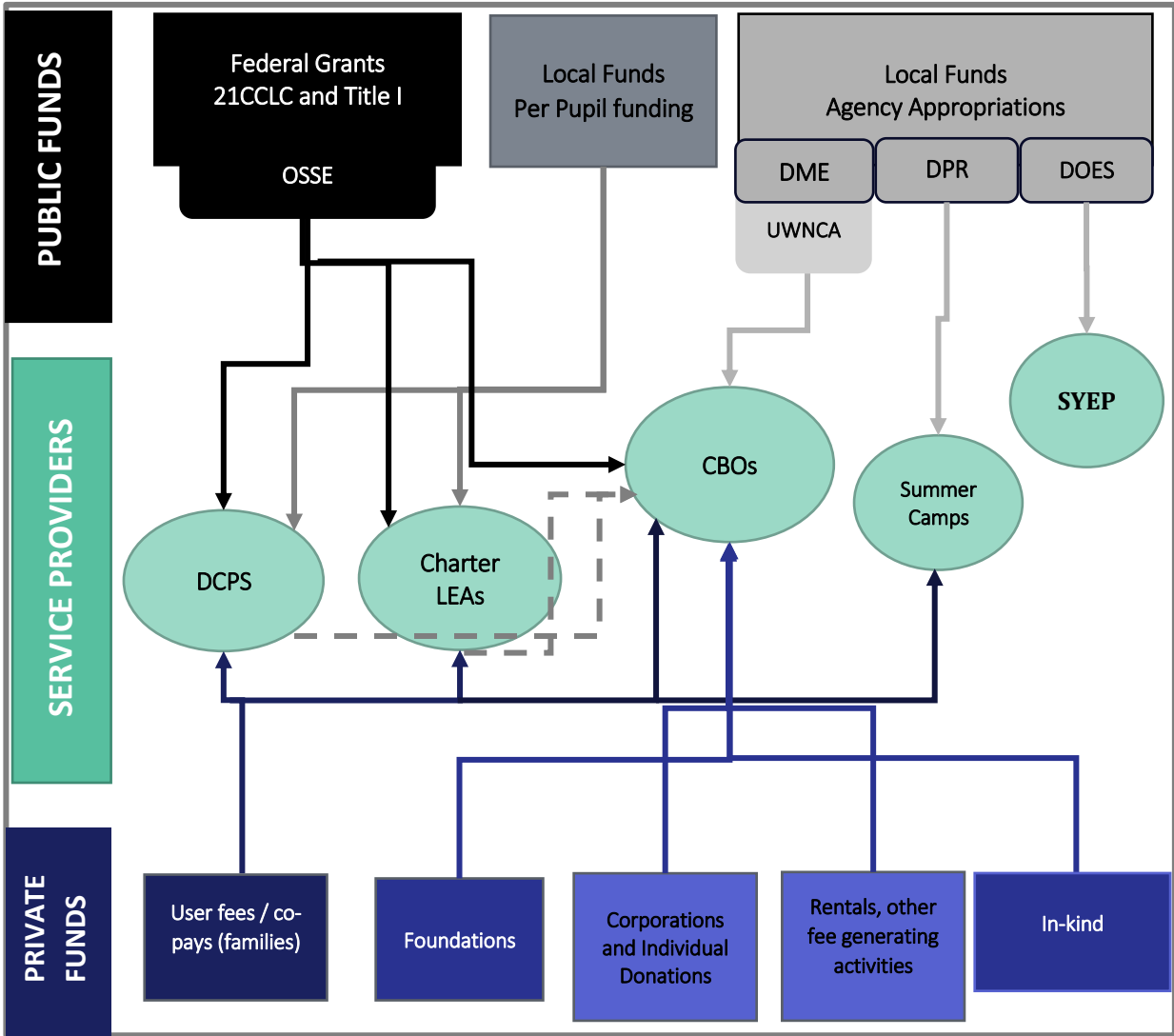
Capacity and enrollment data summaries are from DCPS, various public reports of D.C. government agencies, and the foundation community. Additional capacity and enrollment data were collected from individual community-based organizations and public charter schools, although these data sources are not comprehensive. For more information, see the 2017 report “Needs Assessment of Out-of-School Time Programs in the District of Columbia,” available at dcpolicycenter.org/publications/needs-assessment-school-time-programs-district-columbia.

Funding and Expenditure Data

Estimating the total funding that flows to subsidized OST programs in the District of Columbia is extremely difficult. The first challenge, which the D.C. Policy Center (DCPC) encountered when estimating the District’s program capacity, is to compile an up-to-date, comprehensive list of all service providers, as one is not currently maintained and published by any centralized entity. Foundations that support CBOs often do not or cannot provide detailed information on the OST program grants publicly, in many cases because internal records are not granular enough to isolate OST programs from an organization’s other activities. Foundations may also give through fiscal agents, which makes it more difficult to provide a retrospective analysis. Corporate and individual giving could only be gathered indirectly from budget information the Center received from a subset of CBOs surveyed, and is often not shared publicly by CBOs; the same applies to family payments or program fees.

The OST funding information presented in this report largely relies on data from the D.C. budget documents, data provided by agencies, data collected directly from a sample of CBOs, and interviews with agency employees, program providers, and funders. To the extent possible, the discussion is organized at the highest level of funding source—that is, where the money first appears, and not at where the money is spent—to avoid double-counting. This is because funding, especially government funding, can change hands multiple times. For example, federal grants managed by OSSE can be transferred to DCPS, or to Charter LEAs, and then to a service-providing CBO. Similarly, local funds can move from the DME to UWNCA to CBOs. Counting these expenditures at where the funds are sourced ensures that we do not count the same money multiple times as it goes from one entity to the other.

Figure A 1– Funding Structure for OST Programs and Flows of Public and Private Funds to OST Program Providers



Note: Straight lines denote direct funding. Dashed lines denote funds passed through from DCPS and Charter LEAs to CBOs.

Estimation of Public Funds at D.C. Government Agencies

The D.C. government’s budget and spending information are recorded in the System of Accounting and Recording (SOAR) following the generally accepted accounting principles. The budget and accounting systems are organized as a matrix, with the spending reported uniformly across all agencies by type of spending on one side, and by programmatic focus on the other side. There are three levels of detail provided on the type of spending beginning with the broadest division of “personnel” and “non-personnel.” For each of these broad groups, further details are provided under the “Comptroller Source Group,” (Table A.1). This system is used for every agency regardless of their work area and allows us a uniform picture of how funds are spent in the government.

Table A 1 – Organization of The D.C. Budget Along the Types of Expenditures

| | | | | |
|--------------------|------------------------------|----------------------------------|-------------------------------------|---------------------------------|
| PERSONNEL SERVICES | 11 | Regular Pay, Full-time | 111 | CONTINUING FULL TIME |
| | 12 | Short Term Employees | 121 | TEMPORARY FULL-TIME |
| | | | 122 | CONTINUING PART-TIME |
| | | | 123 | TEMPORARY PART-TIME |
| | | | 132 | ADMINISTRATIVE PREMIUM |
| | 13 | Additional Gross Pay | 134 | TERMINAL LEAVE |
| | | | 135 | HOLIDAY PAY |
| | | | 142 | HEALTH BENEFITS |
| | 14 | Fringe Benefits | 154 | OPTICAL PLAN |
| | | | 155 | DENTAL PLAN |
| | | | 159 | RETIREMENT |
| | | | 160 | DC METRO BENEFITS |
| | | | 133 | OVERTIME PAY |
| | 15 | Overtime | 201 | OFFICE SUPPLIES |
| | NON-PERSONNEL SERVICES | 20 | Supplies and Materials | 202 |
| 204 | | | | EDUCATIONAL |
| 30 | | Utilities and rental fees | 305 | ELECTRICITY |
| | | | 307 | WATER |
| | | | 330 | SUSTAINABLE ENERGY |
| 33 | | Janitorial Services | 430 | JANITORIAL SERVICES |
| 34 | | Security Services | 440 | SECURITY SERVICES |
| 35 | | Fixed Costs related to occupancy | 310 | OCCUPANCY FIXED COSTS |
| 40 | | Other Services and Charges | 401 | TRAVEL - LOCAL |
| | | | 410 | OFFICE SUPPORT |
| | | | 411 | PRINTING, DUPLICATING, ETC |
| | | | 413 | TAXES AND LICENSES |
| | | | 424 | CONFERENCE FEES LOC OUT OF CITY |
| | | | 442 | IT SOFTWARE MAINTENANCE |
| | | | 409 | CONTRACTUAL SERVICES - OTHER |
| 41 | Other Contractual Services | 417 | IT CONSULTANT CONTRACTS | |
| | | 506 | GRANTS AND GRATUITIES | |
| 50 | Subsidies and transfers | 535 | PARTICIPANT WAGES | |
| | | 537 | PARTICIPANT TRANSPORTATION SUBSIDY | |
| | | 701 | PURCHASES - FURNITURE AND FIXTURES | |
| 70 | Equipment purchase or rental | 702 | PURCHASES - EQUIPMENT AND MACHINERY | |

Note: The table is illustrative and does not include all categories under Comptroller Source Group or Comptroller Object categories.

Additionally, the budget documents record appropriations and spending along programs at each agency. The records allow for four levels of detail beginning with “Program” at the highest level, then “Activity,” followed by “Service” and finally at the most granular level, “Task.” Unlike the

expenditures reported along comptroller group and object, the level of detail at the programmatic side is not uniform across agencies. Except for DCPS that reports information at all levels of detail, all other government agencies relevant to OST include information at the “Program” and “Activity” levels but not at the “Service” and “Task” levels (Table A 2).

Table A 2 – Organization of The D.C. Budget And Expenditure Information Along Programs, Illustrative Example from DCPS

| Agy Title | Program | Activity | Service | Task | |
|-------------------------------------|-------------------|---------------------------------------|---------------------------------------|----------------------------|---------------------------|
| DISTRICT OF COLUMBIA PUBLIC SCHOOLS | DC PUBLIC SCHOOLS | HENDLEY ELEMENTARY SCHOOL | AFTERSCHOOLS PROGRAM - ASP | ASP AIDE | |
| | | | | ASP COORDINATOR | |
| | | | | ASP TEACHER | |
| | | JEFFERSON ACADEMY MIDDLE SCHOOL | | ASP AIDE | |
| | | | | ASP TEACHER | |
| | | | | | |
| | | SCHOOLWIDE | | SCHOOLWIDE | AFTERSCHOOL PROGRAM (ASP) |
| | | | | | OSI SUMMER CAMP |
| | | | | | SUMMER SCHOOL |
| | SCHOOL SUPPORT | WOODSON, H. D. HIGH SCHOOL | AFTERSCHOOLS PROGRAM - ASP | ASP TEACHER | |
| | | OFFICE OF DEPUTY CHANCELLOR | OFFICE OF DEPUTY CHANCELLOR | AFTER SCHOOL PROGRAM (ASP) | |
| | | OFFICE OF SPECIALIZED INSTRUCTION | OFFICE OF SPECIALIZED INSTRUCTION | OSI SUMMER CAMP | |
| | | OFFICE OF THE CHIEF OPERATING OFFICER | OFFICE OF THE CHIEF OPERATING OFFICER | AFTER SCHOOL PROGRAM (ASP) | |
| | | | | | |
| | | | | | |

Note: The table is illustrative and does not include all Activity, Service, or Task categories incurred in the specified programs.

Analyzing the use of funds at D.C. government agencies that provide OST programs requires a different approach than the one used for tracking the sources of funds. The expenditure analysis examines how the funds are spent to provide OST programming, so its focus is the agencies and government entities that provide or support the provision of OST programs. These include DCPS (afterschool and summer programs), DPR (summer camps and youth programs) and DOES (workforce development programs for young people).

Excluded from the expenditure analysis are the initial appropriation of grants that eventually get passed onto service providers. Specifically, the expenditure analysis excludes OSSE which transfers funds from federal and local resources to service providers. Specifically, the federal grants sent from OSSE to DCPS and are already included in the expenditure analysis of DCPS. The grants that OSSE makes to CBOs are included in the expenditure analysis for the CBOs. The remainder are local grants disbursed by the DME through UWNCA and these are similarly included in the expenditure analysis for CBOs. However, funds allocated to the DME are included because this office supports the provision of OST programs, including the setting up of a citywide

system.⁴⁷ Also included are the private sources of funds that support government programs such as fees charged to families or private grants.

Estimation of Private Funds at CBOs

Two sources of data informed the CBO estimates. Data collected from CBOs through an online questionnaire and anonymized data provided by the DME on self-reported information by CBOs that are seeking grants to operate summer activities. The report largely relies on the data submitted online by the CBOs as the source of the estimates. The revenue and expenditure data provided by the DME is largely reconstructed to mimic the revenue and expenditure related questions asked to the CBOs as a part of the DCPC questionnaire. Therefore, it is not clear if the information is comparable.

Questionnaire Data

DCPC administered an online questionnaire inquiring about revenues received and expenditures incurred by CBOs and various service providers that are known to operate in D.C. The questionnaire included a total of 25 questions inquiring about organization characteristics, focus areas, where they operate, and what age groups their programs cover. The questionnaire then solicited detailed information of their sources of funding and how they spend these funds. It also included various open-ended questions seeking information on challenges of operating an OST Program and potential bottlenecks for growth.

The questionnaire was sent out to 174 OST program providers, identified through previous needs assessment data gathering, the 2017-2018 DCPS Afterschool Program Parent/Guardian Handbook,⁴⁸ and additional web searches and other research; efforts focused on D.C.-based CBOs providing subsidized programs. Some 42 providers responded, a response rate of 24 percent. Of these, 34 (81 percent) have reported that OST programs account for at least half of their program activities (16 engaged in OST programming only, 14 mostly engaged in OST activities, and 4 report that about half their activities are OST). The table on the following page provides additional information on the respondent characteristics.

⁴⁷ Specifically, the analysis excludes disbursements from CYITC (\$7.5 million in 2016 and \$4.9 million in 2017), and later, from the DME (\$3.7 million). It also excludes OSSE and the approximately \$12 million per year it disburses since these amounts are all spent at the service provider level. There is likely a level of cost of administering these grants that would be included in a full analysis as overhead.

⁴⁸ Office of Out of School Time Programs Afterschool Program Parent/Guardian Handbook for the 2015–2016 School Year, District of Columbia Public Schools, available at <https://dcps.dc.gov/sites/default/files/dc/sites/dcps/publication/attachments/Afterschool%20Parent%20Handbook%202015.pdf>.

Table A 3 - Characteristics of CBOs in the Analysis

| Number CBOs that received the questionnaire | 174 | |
|--|-----------|---------------------------------|
| Respondents | 42 | Share of All Respondents |
| Non-profit providers (among respondents) | 37 | 88% |
| OST Program Focus | 34 | 81% |
| Operate in D.C. Only | 38 | 90% |
| School-based services | 36 | 86% |
| Owns/Leases own space | 21 | 50% |
| Community-Based Space | 14 | 33% |
| Pre-K afterschool | 16 | 38% |
| K to 2 afterschool | 23 | 55% |
| 3 to 5 afterschool | 28 | 67% |
| 6 to 8 afterschool | 30 | 71% |
| 9 to 12 afterschool | 27 | 64% |
| Adult/other afterschool | 13 | 31% |
| Provides Summer School | 36 | 86% |
| Source: Online questionnaire administered by the D.C. Policy Center | | |

Developing Estimates from Questionnaire Data

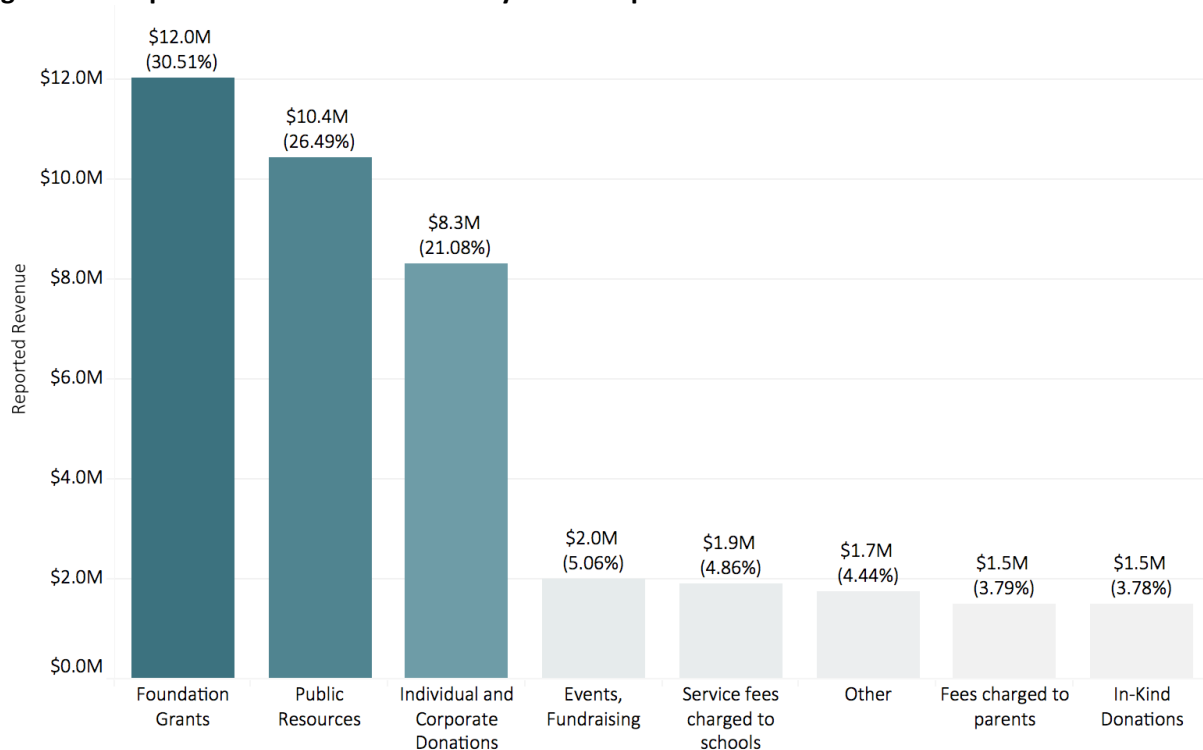
The key challenge of developing estimates from the questionnaires is determining how representative of a sample the respondents are of the entire subsidized OST universe in D.C. There is no set universe of OST program providers, as each year new organizations begin offering OST programs while others stop providing services. There is also some cross-over from market-rate service providers to the subsidized OST programming landscape, with some seeking a school contract or applying for federal or D.C. government grants in addition to having fee supported programs.

In this analysis, the proxy for a universal estimate is the amount of government grants the organizations have reportedly received. We first tally the total amount of government grants reportedly received by the survey participants, then compare this figure to the total amount of government grants made to CBOs we can track from D.C. budget documents. We then use the ratio of reported grants by CBOs to the grants reported in budget documents as the adjustment factor to develop an estimate of private resources. Specifically, the total amount of D.C. Government resources reported by the CBO sample is the equivalent of 64 percent of all government grants made to CBOs in 2017 (detailed explanation provided below). Thus, we assume that the total amount of all grants reported by CBOs are also 64 percent of the entire resources all CBOs received from all resources. This underlying assumption is that CBOs that captured in our survey are similar to those that we did not capture. While our sample is not representative in the statistical case, due to the non-random manner of distribution, this is the best option for estimating the total resources in the CBO sphere.

Reported Funds

The 43 organizations in our sample collectively reported \$52.3 million in gross revenues. Sometimes, the revenue reported under separate items (government grant, foundation grants, user fees, corporate donations, etc.), when added, did not match the gross revenue reported as whole. But overall the disparities were small: when calculated by adding separate revenue streams, the reported gross revenues totaled \$52.7 million. Excluded from this figure are in-kind donations, which reportedly totaled \$1.4 million.

Figure A 2- Reported Sources of Revenue by CBO Sample in FY 2017



Source: Questionnaire administered by the D.C. Policy Center.

Adjustments to the Sample Data

In order to estimate the amount of reported revenue that is for subsidized OST programming, we adjusted the sample in the following ways. First, one outlier that reported an extremely high proportion of user-fees was removed, as this suggested that most operations for this service provider were market rate. Respondents were then divided into three groups:

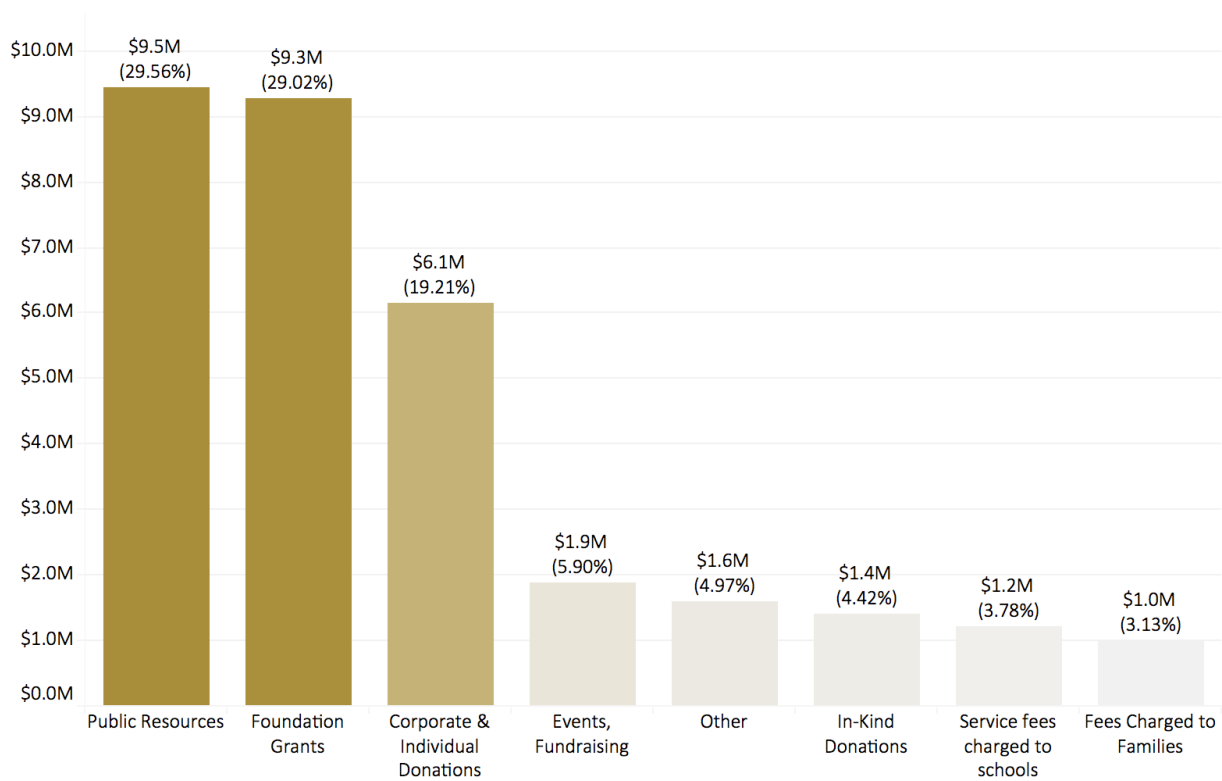
1. Those reporting that all or almost all of their organization’s activities involve providing OST programs: 30 organizations reported that all or majority of their activities include OST programs. For this group, we included all reported revenue as applicable.
2. Those reporting that approximately half of their activities are OST programs: Four organizations fall into this category. For these organizations we included all the revenue

received from public and foundation sources and included half the revenue reported from all other sources.

- Those with only a small portion of their activities as OST programs: Eight organizations fall into this category. For this group, DCPC compared the revenue they receive from public sources to revenue received from other sources. Four organizations were excluded because revenue did not show support from public sources or foundations. For the others, we prorated the reported revenue by the ratio of government support received for OST programs to the total support received. The underlying assumption for this adjustment is that the share of government resources is a proxy of the subsidized OST activity. The average share of public support in this group was 9 percent and the total reported revenues was \$8.2 million.

After the adjustments, we estimate that the CBOs that responded to our questionnaire received \$21.1 million in private resources including foundations, corporate and individual donors, fundraising activities, and fees charged to families. In addition, these CBOs report \$1.4 million worth of in-kind donations. We did not include in the private resources service fees charged to schools since these could be paid for by federal grants or local appropriations. The reported amount of all such fees for the sample is \$1.2 million.

Figure A 3 – Reported Sources of Funds Estimated to be Applicable to Subsidized OST Program in FY 2017



Source: Questionnaire administered by the D.C. Policy Center.

Estimated Private Funds

We estimate that the CBO sample we use collectively received approximately 64 percent of all government resources that CBOs received from the federal and local funding sources in 2017. Using this information, we built an estimate of private resources assuming that our sample captured 64 percent of all funding that supported the subsidized OST program space in the same year. Based on this assumption, we estimate that the total amount of private resources that supported the subsidized OST programs in D.C. in 2017 was \$31.1 million. Of this, 46 percent (\$14.5 million) was provided by foundations, 30 percent (\$9.6 million) was provided by individual and corporate donors, and 10 percent (almost \$3 million) was provided by fundraising events. Fees from families, which totaled an estimated \$1.6 million accounted for only 5 percent of total private resources (Table A 4).

Excluded from the estimated total are two other resources, in-kind donations and fees charged to schools. In-kind donations, which we estimate to be \$2.2 million is excluded from private resources due to the difficulty for CBOs of correctly reporting the value of these services. Fees charged to schools for services is excluded because these services are provided for public schools and the funds could include some government resources. It is possible that some of these fees are paid with PTAs using private resources, but because it was not possible to know for sure, these fees are reported separately.

Table A 4 – Estimated Private Funds that Supported Subsidized OST in FY 2017

| Source of Funds | Estimated Funds |
|----------------------------------|---------------------|
| Foundation Grants | \$14,498,000 |
| Corporate & Individual Donations | \$9,598,000 |
| Events, Fundraising | \$2,952,000 |
| Other | \$2,481,000 |
| Fees Charged to Families | \$1,566,000 |
| Grand Total | \$31,095,000 |

Source: Questionnaire administered by the D.C. Policy Center

The DME also provided the D.C. Policy Center anonymized information on 74 organizations that applied for “Summer Strong” grants for summer 2018 programming. All identifying characteristics, such as name, location, and service area, were removed from the data before being shared with the D.C. Policy Center.

Due to the lack of detail available from the reporting organizations, this data had various limitations that made it impossible to use directly for estimation. For example, 23 organizations reported receiving government funds, but did not have any further information on the breakdown between federal grants or D.C. local funds. The total amount of government grants reported for these organizations is \$37.8 million, which is more than twice the annual estimated amount of government funds that support the OST program space. Before preparing the alternative estimate for total resources based on the Summer Strong data, we removed these 23

organizations from the sample. In addition, we removed 14 other organizations because they did not appear to have any presence in the subsidized OST space. After these adjustments, the sample size with usable data was 44.

Using this sample and a methodology identical to the one used for the questionnaires data, DCPC estimate the amount of private resources available to OST programs comparable to those in the sample was \$38.3 million in Fiscal Year 2017. Additionally, CBOs benefited from \$2.6 million in in-kind donations. The estimated amount of revenue received from service fees was \$4.9 million (Table A 5).

Table A 5 – Alternative Estimate of Private Resources that Support Subsidized OST Program, Sample from “Summer Strong” Applicants

| Source (group) | Estimate |
|--------------------------------------|--------------|
| Foundation Grants | \$13,988,000 |
| Fundraisers, events | \$7,356,000 |
| Fees Charged to Families | \$1,387,000 |
| Other | \$5,180,000 |
| Corporate & Individual Contributions | \$10,443,000 |
| Grand Total | \$38,354,000 |

The two estimates differ by \$7 million. The largest source of difference between the CBO questionnaire sample and the “Summer Strong” sample is the \$4.4 million higher estimated revenue from fundraisers and other similar events for the “Summer Strong” sample. This amount is followed by Other (\$2.7 million higher), which includes amounts where the source was unknown, or which did not fit the definition of the other categories. The two estimates are very close for corporate and individual contributions (\$850,000 higher in the Summer Strong sample), fees charged to families (\$180,000 lower), and foundation grants (\$500,000 lower).

Analysis of the Expenditures at CBOs

The D.C. Policy Center questionnaire also included questions on the expenditures at CBO provided OST programming including the programmatic and overhead costs. The use of funds analysis is based on these responses after the following adjustments, which reduced the sample to 30 organizations:

- Remove organizations with majority of focus outside of OST programming.
- Remove organizations that are largely reliant on user fees.
- Remove organizations that have not reported expenditures.

Appendix B. Additional Data on Government-Operated Program Expenditures

Government operated programs have multiple funding sources—a combination of federal, public, and private—and these funds are generally managed by a single entity within the government while the OST services could be delivered by a different entity.

Table B 1 - Funding Sources for OST Programs in FY 2017, by the Managing Agency and the Service Provider

Public and Private Funding Sources, by Managing Entity

| Source | Funding Source | Money managed by | Funding Amount |
|-------------|----------------------------------|------------------|----------------|
| Public | Federal Grants | DOES | \$3,065,000 |
| | | OSSE | \$7,916,000 |
| | Local Sources | DOES | \$29,243,000 |
| | | OSSE | \$6,500,000 |
| | | DPR | \$6,609,000 |
| | | DME | \$4,920,000 |
| Private | Corporate & Individual Donations | DCPS | \$2,927,000 |
| | | CBOs | \$9,598,000 |
| | Events, Fundraising | DOES | \$260,000 |
| | | CBOs | \$2,952,000 |
| | Fees Charged to Families | CBOs | \$1,566,000 |
| | | DPR | \$398,000 |
| | Foundation Grants | CBOs | \$14,498,000 |
| | In-Kind Donations | CBOs | \$2,212,000 |
| | Other | CBOs | \$2,481,000 |
| | Service fees charged to schools | CBOs | \$1,891,000 |
| Grand Total | | | \$97,036,000 |

Public and Private Funding Sources, by Service Provider

| Source | Type of OST Program | Service Provided By | Funding Amount |
|-----------------------|--|------------------------|----------------|
| Public | Afterschool and Summer | CBOs | \$11,420,000 |
| | | DCPS | \$10,843,000 |
| | | DPR | \$463,000 |
| | Roving Leaders Youth Development Program | DPR | \$2,769,000 |
| | Summer Camps | DPR | \$3,377,000 |
| | SYEP | DOES | \$19,891,000 |
| | Year Round Youth Program | DOES | \$12,417,000 |
| | Private | Afterschool and Summer | CBOs |
| DPR | | | \$11,000 |
| Roving Leader Program | | DPR | \$8,000 |
| Summer Camps | | DPR | \$370,000 |
| SYEP | | DOES | \$260,000 |
| Teen Programs | | DPR | \$9,000 |
| Grand Total | | | \$97,036,000 |

Source: DC System of Accounting and Reporting (SOAR) and data collected from CBOs



For example, DME manages local funds that are ultimately distributed to CBOs. OSSE manages a combination of federal and local funds that are distributed to CBOs as well as DCPS and charter LEAs for OST Programming. Table B 1 provides a summary of all OST funding that originate or pass through the D.C. Government by both the managing agency and by the entity that provides the OST program.

OST Program-Related Expenditures by DME

Since 2017, the DME has been responsible for the local funds D.C. had been previously investing in the OST programs through CYITC. Like its predecessor, the DME passes on much of these funds to CBOs as grants and keeps some to support the OST Office, which supports the coordination of various OST programs and OST funding in the D.C. government, collection of data, and provide technical assistance and capacity building to CBOs.

Granular information associated with the expenses of operating the OST Office is only available for FY 2018—the year when the OST Office was first launched and budgeted. During that year, of the \$4.9 million allocated for OST programming under the DME, \$3.8 million was granted to UWNCA to be distributed as grants, and the remainder (\$1.9 million) was spent to support the OST Office staff.⁴⁹ The DME’s personnel costs accounted for approximately 40 percent of these expenditures, and the remainder has been allocated for professional service fees and contracts, including the cost of managing the grants (Table B 2).

Table B 2 - DME Expenditures on Office of Out of School Time Grants and Youth Outcomes, FY 2018

| | | | | FY 2018 | |
|--|------------------------|---------------------------------|------------------------------|-------------------------------------|-------------|
| Office of Out of School Time Grants and Youth Outcomes | PERSONNEL SERVICES | Regular Pay and Fringe Benefits | CONTINUING FULL TIME | \$424,214 | |
| | | | MISC FRINGE BENEFITS | \$89,509 | |
| | NON-PERSONNEL SERVICES | OTHER SERVICES AND CHARGES | PROF SERVICE FEES AND CONTR | \$667,777 | |
| | | | ADVERTISING | \$5,000 | |
| | | | PRINTING, DUPLICATING, ETC | \$1,000 | |
| | | | EQUIPMENT & EQUIPMENT RENTAL | PURCHASES - EQUIPMENT AND MACHINERY | \$6,500 |
| | | | SUPPLIES AND MATERIALS | OFFICE SUPPLIES | \$1,000 |
| | Grand Total | | | | \$1,195,000 |

Source: D.C. System of Accounting and Recording (SOAR) Reports. Data combined at the program level.

OST Program-Related Spending by DCPS

DCPS operates 54 afterschool programs serving approximately 5,000 children and youth at 54 Title I schools across D.C. Additionally, DCPS operates summer school programs at many of its

⁴⁹ The total grants managed by UWNCA was \$4.6 million but some of this was initially appropriated FY 2017. According to information from the DME, UWNCA spends approximately 10 percent of these amounts to administer the grants.

schools, including extended year programs in some schools that follow an alternative schedule, summer bridge programs, programs for English Language Learners and various enrichment activities. The budget records for afterschool and summer programs are very different, and therefore the expenditure analyses for afterschool and summer programs are provided separately.

Taken together, DCPS spent \$10.2 million on its afterschool and summer programs in FY 2016, \$9.0 million in FY 2017 and plans to spend \$11.1 million in FY 2018.⁵⁰ Across these three years, three quarters of this funding is spent at the school level, directly supporting programs delivered in classrooms. The remainder is overhead paying for the salaries of central office employees who support planning for and management of afterschool and summer programs.

Afterschool Programs (ASP)

DCPS expenditures on afterschool programs (ASP) and related services include spending at schools (funds set aside for ASP coordinators, teachers, and aides who work in the schools), spending for services shared across schools, and spending related to the management of ASPs (Table B 3, following page).⁵¹

DCPS ASP expends most of the funds in the classroom. In FY 2016, DCPS spent 80 percent of the total afterschool budget at schools or for services shared across schools and only 20 percent at central office. The amounts budgeted at the central office was largely for personnel, presumably paying for those who support the planning for and management of ASPs.⁵² This has changed in FY 2018, when the share of central office expenditures more than doubled. Budget records show that this was largely due to a \$1.5 million expenditure planned for educational supplies and materials, which will eventually be sent to schools. Excluding this expenditure from overhead calculations would reduce the central office expenditures back to 20 percent. Additionally, the central administration staff also manages summer programs, reducing the overhead budget for summer programs.

⁵⁰ This amount is planned expenditures and assumes a certain amount of support from Title I funding.

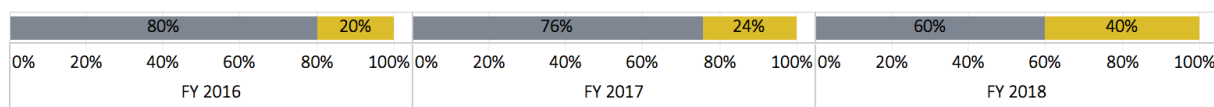
⁵¹ These programs were budgeted at the Office of Deputy Chancellor in FY 2016 and FY 2017, and at the Office of the Chief Operating Officer in FY 2018.

⁵² These amounts also include the central office support for summer programs which are not broken down.

Table B 3 –Expenditures at DCPS Afterschool Programs, FY 2016 - 2018

| | | Central Administration | | | Schools | | |
|------------------------|-------------------------------|------------------------|-------------|-------------|-------------|-------------|-------------|
| | | FY 2016 | FY 2017 | FY 2018 | FY 2016 | FY 2017 | FY 2018 |
| PERSONNEL SERVICES | Regular Pay | \$1,010,308 | \$1,009,388 | \$936,018 | \$1,741,674 | \$1,744,062 | \$523,671 |
| | Fringe Benefits | \$276,691 | \$282,153 | \$141,098 | \$697,564 | \$697,142 | \$79,280 |
| | Other Pay | \$57,426 | \$393 | \$0 | \$2,693,513 | \$2,660,358 | \$3,851,566 |
| NON-PERSONNEL SERVICES | Supplies and Materials | \$50,000 | \$10,146 | \$1,454,541 | \$100,606 | \$48,216 | \$10,000 |
| | Contractual Services | \$0 | \$317,080 | \$446,674 | \$297,216 | \$16,581 | \$315,500 |
| | Equipment purchase and rental | \$0 | \$11,407 | \$34,812 | | | |
| | Other Services and Charges | \$1,334 | \$37,478 | \$199,200 | \$58,419 | \$47,961 | \$12,300 |
| Grand Total | | \$1,395,759 | \$1,668,045 | \$3,212,344 | \$5,588,992 | \$5,214,320 | \$4,792,317 |

Share of spending by location



Source: D.C. System of Accounting and Recording (SOAR) Reports. Includes funding for ASP programs as described by Task title. Spending at the school level sums up the afterschool program budgets for all schools and school-wide expenditures. Central Administration budget includes expenditures budgeted under central officers.

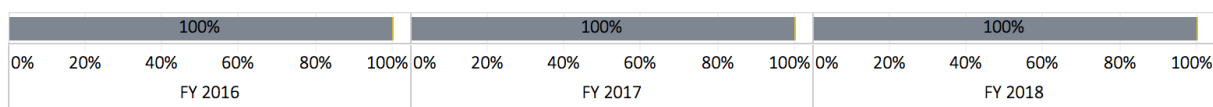
Summer Programs

DCPS expenditures on summer school and summer camp are all allocated to programs, with no funds spent to support the central administration of summer programs. Almost all of DCPS summer expenditures go to temporary part time workers who staff its summer programming, as well as some limited use of contractors to provide programming (Table B 4, following page).

Table B 4 – Expenditures at DCPS Summer School and Other Summer Programs, FY 2016 -2018

| | | Central Administration | | | Schools | | |
|------------------------|-----------------------------|------------------------|---------|---------|-------------|-------------|-------------|
| | | FY 2016 | FY 2017 | FY 2018 | FY 2016 | FY 2017 | FY 2018 |
| PERSONNEL SERVICES | Regular Pay | \$459 | \$0 | \$0 | \$1,625,629 | \$1,730,193 | \$2,133,022 |
| | Fringe Benefits | \$106 | \$0 | \$0 | \$83,574 | \$84,233 | \$87,187 |
| | Other Pay | | | | \$0 | \$1,020 | \$43,170 |
| NON-PERSONNEL SERVICES | Supplies and Materials | | | | \$251,115 | \$161,342 | \$210,200 |
| | Contractual Services | | | | \$1,119,120 | \$126,105 | \$501,981 |
| | Equipment purchase and re.. | | | | \$0 | \$0 | \$28,000 |
| | Other Services and Charges | | | | \$92,845 | \$18,932 | \$94,600 |
| Grand Total | | \$565 | \$0 | \$0 | \$3,172,282 | \$2,121,824 | \$3,098,160 |

Share of spending by location



Source: D.C. System of Accounting and Recording (SOAR) Reports. Includes funding for ASP programs as described by Task title. Spending at the school level sums up the afterschool program budgets for all schools and school-wide expenditures. Central Administration budget includes expenditures budgeted under central officers.

■ Central Administration
■ Schools

OST Program-Related Spending by DPR

DPR operates summer camps that enroll an estimated 2,100 children every summer. Additionally, DPR operates year-round programs for teenagers between the ages of 13 and 18 and a program for youth from underprivileged backgrounds.⁵³ The combined annual spending for these programs from all sources of funding has varied between \$7.3 million and \$8.3 million in the past few years, with more than 85 percent of spending supporting personnel. Personnel expenditures include camp counselors and full-time employees, some serving at the program level and others supporting operations (Table B 5, following page).

⁵³ DPR also ran an ASP called the Afternoon Access for children and youth ages 6-12, but the budget for this activity has been eliminated in fiscal years 2018 and 2019.

Table B 5 –DPR expenditures that Support OST Programs, by program and type of expenditure

Department of Parks and Recreation Expenditures on OST Programs

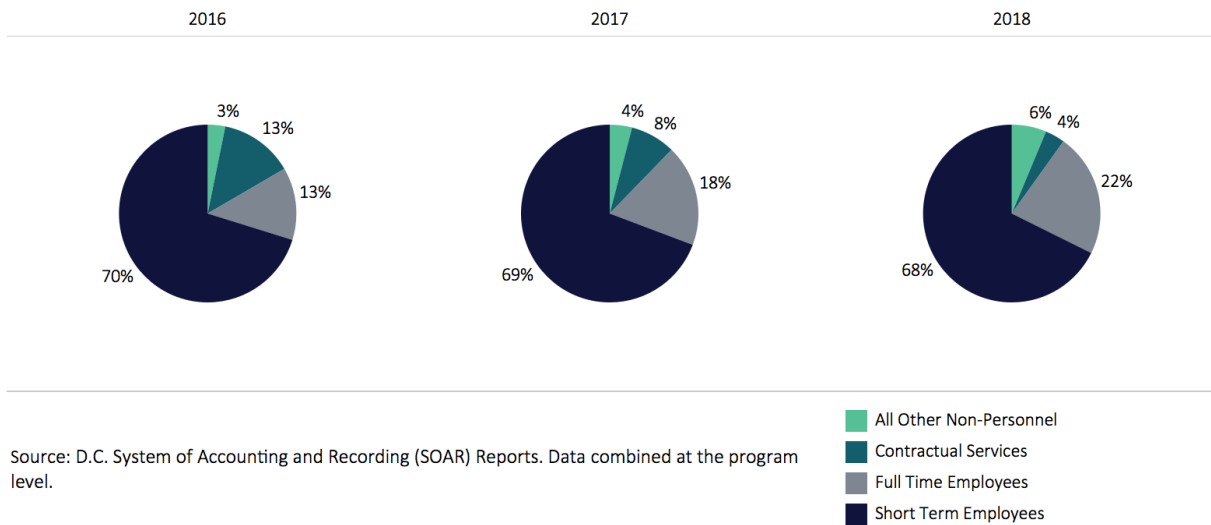
| | | FY 2016 | FY 2017 | FY 2018 |
|----------------------------------|------------------------|-------------|-------------|-------------|
| Afternoon Access & Teen Programs | PERSONNEL SERVICES | \$3,160,814 | \$619,923 | \$414,404 |
| | NON-PERSONNEL SERVICES | \$384,452 | \$195,131 | \$408,247 |
| Roving Leaders Youth Development | PERSONNEL SERVICES | \$18 | \$2,693,543 | \$2,502,697 |
| | NON-PERSONNEL SERVICES | \$0 | \$94,851 | \$201,303 |
| Seasonal camps | PERSONNEL SERVICES | \$3,764,026 | \$3,287,614 | \$4,319,433 |
| | NON-PERSONNEL SERVICES | \$749,826 | \$459,602 | \$474,784 |
| Grand Total | | \$8,059,138 | \$7,350,664 | \$8,320,868 |

Source: D.C. System of Accounting and Recording (SOAR) Reports. Includes funding for ASP programs as described by Task title. Spending at the school level sums up the afterschool program budgets for all schools and school-wide expenditures.

DPR Summer Camps

DPR allocates about \$4 million annually for its summer camps. Nearly 70 percent of these expenditures are for the hiring of part-time, temporary camp staff. Full-time employees that help manage the programs constitute the second largest group, accounting for up to 22 percent of expenditures (Figure B 1).⁵⁴

Figure B 1 –Spending at DPR Summer Camps, FY 2016-2018



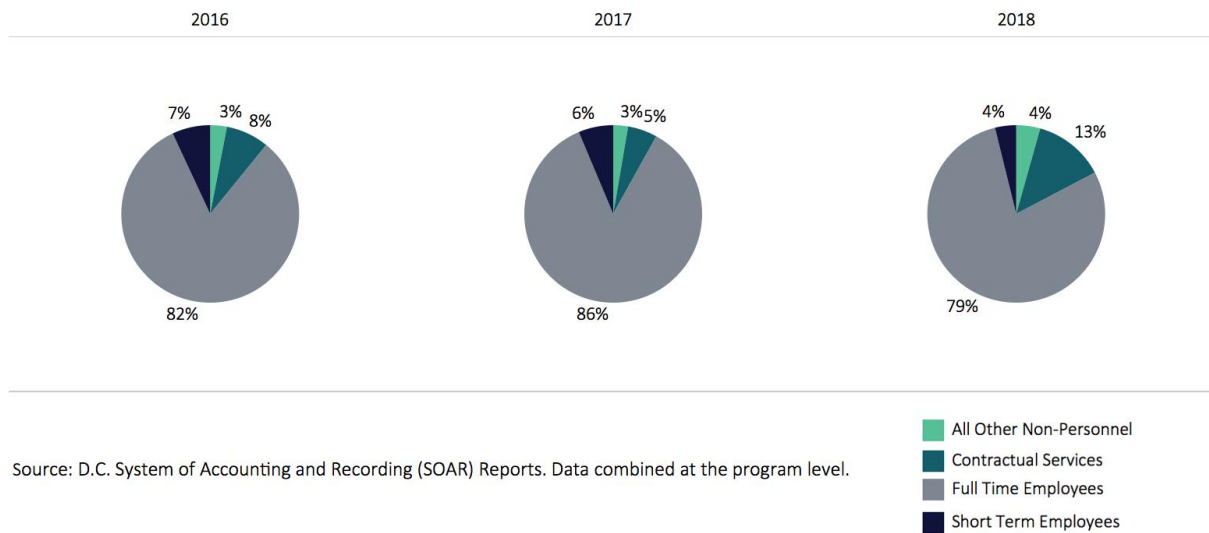
⁵⁴ Budget reports show that in FY 2018, the fringe benefits budgeted under “Miscellaneous fringe benefits” (Comp Object Group 147) was \$889,447. Some of this could be some benefits for short-term employees. Excluding this large number, the share of full-time employee costs would decline to 5 percent in FY 2018.

DPR is increasingly relying on its own programs and spending less procuring programmatic help for its summer camps. Since 2016, the share of contracts in the entire summer camp budget has declined over time from 13 percent to 4 percent (down from \$602,000 to \$172,000). And spending on equipment and materials have been relatively stable except for spending on car rentals which for the first time appeared on the budget in 2018.

DPR Teen Programs

In the last three years, DPR spent approximately \$3.5 million on programs that target teens. In FY 2016, all of this money was budgeted under the teen programs but beginning FY 2017, most of the funding was redirected to the newly established Roving Leaders Youth Development Program, with only about \$700,000 set aside for other teen programs. The teen programs spend more than four fifths of their budgeted resources on full time employees and a small share on part-time or short-term employees (Figure B 2).

Figure B 2 – Spending at DPR Teen Programs, FY 2016-2018



OST Program-Related Spending by DOES

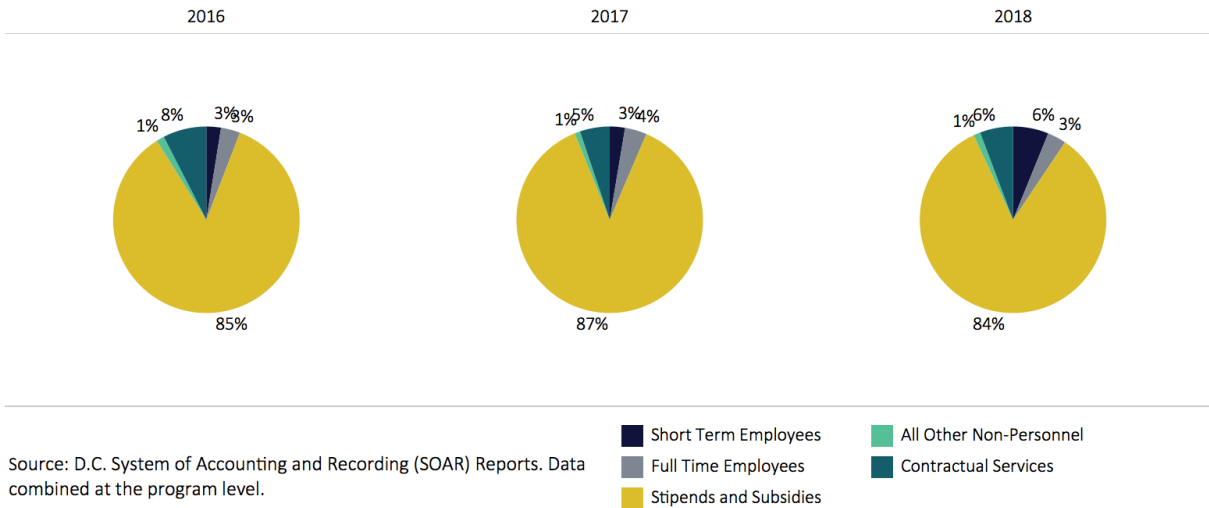
DOES organizes two workforce development programs, both of which provide subsidies, wages, or stipends to participants. In the past three fiscal years, DOES spent on average \$30 million on its youth workforce programs each year, and over two-thirds of these funds have gone to wage subsidies and stipends to participants.

Marion Barry Summer Youth Employment Program (SYEP)

The expenditures for SYEP was \$17.3 million in FY 2016, \$20.4 in FY 2017, and is planned at \$19.0 in FY 2018. The bulk of the expenditures in the program are the wages paid to the participating youth, (\$11.8 million in FY 2017). Other costs include transportation benefits for the participants (\$723,000 in the same year), and payroll taxes associated with the wages

(\$906,000). The program provided additional stipends of \$4 million in FY 2017 and made some small grants. These subsidies and transfers (including wages paid to student workers) account for 84 to 87 percent of program expenditures during the past three fiscal years. All other non-personnel expenditures—contracts, utilities, fixed costs—account for another 6 percent to 9 percent. Personnel expenditures are relatively low, and largely reflect the salaries and benefits paid out to employees who manage the program as well as some short-term employees hired during the summer (Figure B 3).⁵⁵

Figure B 3 –Spending at SYEP, FY 2016 -2018

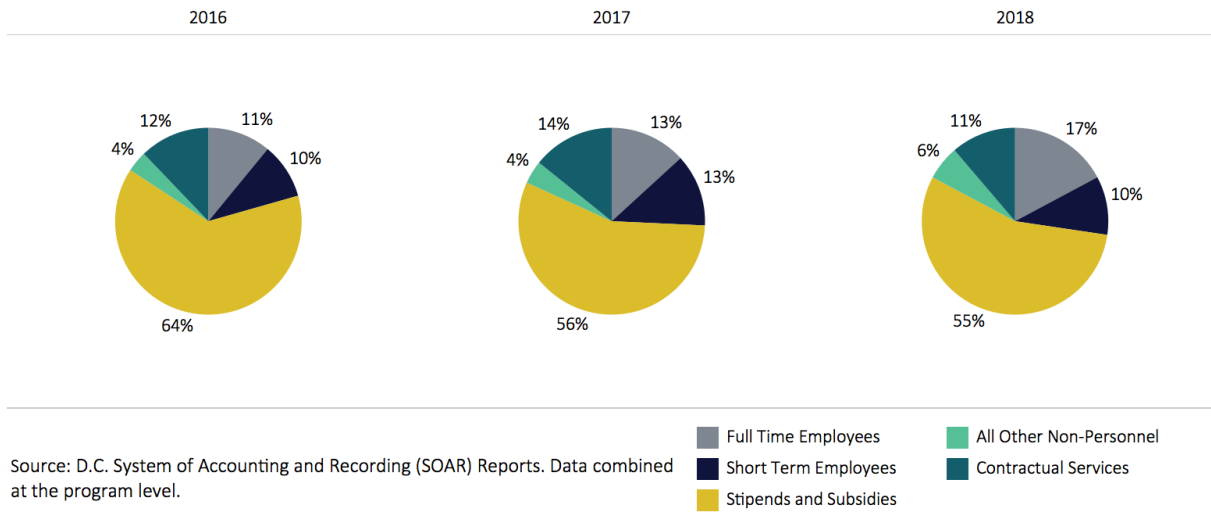


Year-Round Youth Program

DOES also operates the Year-Round Youth Program which provides work opportunities for youth. While the program targets youth who have dropped out of school, it also provides in-school activities and work opportunities during times associated with OST programs. During FY 2016 - 2018, DOES spent between \$11 million and \$12.7 million on the program. Similar to SYEP, a large share of this amount is spent on stipends and wages for the participating youth, as well as grants made out to third parties to provide programming (Figure B 4, following page).

⁵⁵ Missing from SYEP revenue is in-kind contribution received from employers who host the participants. These employers—some government agencies and some in the private sector—provide a job, a place to work, and often some level of mentorship for the participating youth, the value of which is not calculated or tracked.

Figure B 4—Spending on Year-Round Youth Program, FY 2016 -2018



In FY 2017, for example, of the \$12.7 million spent on the Year-Round Youth Program, \$5.6 million was spent on stipends and \$2.5 million on grants to other organizations. The rest of the budget was split among full time employees and associated fringe costs (13 percent), term employees (13 percent) and all other non-personnel expenditures such as supplies, materials, fixed costs, and professional services purchased by the agency to support the program (13 percent).

Appendix C. National Research on Out-of-School Time Program Funding

The most recent and most comprehensive studies of OST financing are those produced by The Wallace Foundation. Their seminal study, “The Cost of Quality Out-of-School-Time Programs” (2009), studied data from 111 quality OST programs in six U.S. cities: Boston, Charlotte, Chicago, Denver, New York City, and Seattle.⁵⁶ For this report, researchers collected cost data through surveys that program directors completed either by hand or over the phone. Researchers then followed up with program staff when necessary to verify the information and probe for possible “hidden costs.” The purpose of the report was to understand the fiscal landscape for OST program providers which the researchers deem as “high quality operations.” Quality was determined based on several attributes, such as high attendance rates, high staff/youth ratios, highly qualified staff, and, for teen programs, leadership opportunities for older youth. Researchers also measured quality signifiers such as one-year staff retention rates, orientation and training opportunities, supervision levels, regular program assessment, adequate space and materials, and frequency of parent communication. The sample only included OST programs that had been operating for two or more years.⁵⁷

The “Cost of Quality” report is now the primary source of cost information for OST programs, especially for estimating what a “quality program” could look like. However, it may not be the best means of estimating what *current costs* could be because the OST programs Wallace Foundation researchers chose to include in the report’s sample are not representative of the OST programs across the U.S., or even OST programs in urban areas.⁵⁸ There are other limits to the type of data collected by the sample: it included only a small number of programs operated by schools, excluded short-term and seasonal programs, or those with locations and times that changed frequently (such as operating at different days or rotating locations). Researchers also excluded programs that operate only during the summer and programs that served highly targeted populations, which were beyond the scope of the report. Still, the reports’ findings are instructive in the types of costs OST programs incur, and where OST programs look to raise money.

⁵⁶ Grossman, Lind, Hayes, McMaken, and Gersick, 2009.

⁵⁷ Costs were also adjusted by the ACCRA Cost-of-Living Index to account for cost-of-living variations between cities. All data from this report is also reported in 2009 dollars.

⁵⁸ As the report notes, “the sampling strategy was designed to select programs that have operational practices and components that have been shown in scientific research to be associated with quality,” instead of representing the “average” OST program.

Beyond the Wallace Foundation’s work, many other organizations study the cost of OST programs, but they generally focus on the costs families must incur to participate in market-rate programs.⁵⁹

Sources of Funding

The “Cost of Quality” report found that the quality OST programs in the sample received funding from public sources, private sources, and in-kind contributions. Some also charge families a program fee.

- **Private sources** include foundation grants, corporate donations, individual donations, and contributions from civic organizations and churches. Providers also generated earned income through special fees (for example by renting out space), and from fundraising events. These private sources provided approximately half of resources to OST programs in the sample.
- **Government sources**, also referred to as public sources, include federal, state, and local government funds. These provided about a third of resources.
- **In-kind contributions** – of space, materials, equipment, and volunteers – were widely used, and provided 20 percent of resources on average.⁶⁰
- **Program fees charged to families** were a small source of overall revenue when they were used and were often charged on a sliding scale based on family income.

OST programs in the “Cost of Quality” sample typically relied on more than one source of funding, with a mix of public and private sources. Most programs in the study relied on three or four funding sources, and the median elementary and middle school OST program was supported by three funding sources. Teen programs tended to use slightly more funding sources than elementary and middle school programs, with the median teen program being financed by four funding sources.

The “Cost of Quality” also found that many programs lacked the capacity to provide certain financial information, making researching OST funding a challenge.⁶¹ In some cases, program directors did not have easy access to information, and instead relied on organizations that financially supported them to provide it. Government funding could be particularly difficult to quantify, as federal funding is often blended or braided with state and local funds before being

⁵⁹ These include, for example, cost estimates provided by Child Care Aware based on the surveys of market-rate child care and after-care providers. Their report—based on data from 2013, find that District families who choose market-rate OST programs pay generally \$13,211 per year. The Afterschool Alliance surveyed families who pay a fee for their child’s after school program and found an average nationwide cost of \$114 per week, with D.C. families reporting the highest cost of \$237 a week.

⁶⁰ In-kind services were used by 87 percent of elementary and middle school programs and 88 percent of teen programs. Grossman et al., 2009.

⁶¹ Grossman et al., 2009.

allocated to OST program providers, leaving some program directors unable to identify the precise source of government.⁶²

Authors of the “Cost of Quality” report that diversifying sources of program funding is believed to be the best strategy for OST programs, as it can help reduce the risk of losing any single funding source. However, meeting the reporting requirement for multiple funding sources can create additional challenges, and take up valuable staff time and attention.⁶³

Trends in Funding of OST Programs

Government funding of OST programs has increased since the 1990s, with federal, state, and local governments increasing the amount of funding allocated towards OST programs.⁶⁴ The federal government began the 21CCLC Program in 1998, increasing the amount provided from \$40 million in 1998 to one billion dollars in 2002 – an amount that has remained roughly unchanged since then.⁶⁵ These formula based grants have supported the creation of community learning centers that provide academic enrichment opportunities during non-school hours for children, particularly students who attend high-poverty and low-performing schools. The funding can go to LEA, non-profit CBOs, city or county government agencies, faith-based organizations, family centers, higher education institutions, or for-profit corporations. These grants—awarded competitively—are generally managed by the State Education Agency—in the case of D.C., OSSE.

Today, 21CCLC grants are an important source of OST funding.⁶⁶ Investments by the federal government spurred states and local governments to provide additional funding sources.⁶⁷ While government funding has increased over the last 20 years, funding levels do not meet nationwide demand.⁶⁸ During this same 20-year period, OST programs have increased in number.⁶⁹

Private sources of income are critical for the operation of OST programs. Private resources are not only the largest, they are also the most flexible, with far fewer restrictions on how funds can be spent.⁷⁰ Private sources also play an important role of “filling the gap” when there are cuts to government funding. When faced with such cuts, OST programs have had to rely on private investments and private-public partnerships more often, and foundations have been

⁶² Bodilly et al., 2010; Grossman et al., 2009; Wallen and Hubbard, 2013.

⁶³ Grossman et al., 2009.

⁶⁴ Hollister, 2003.

⁶⁵ Afterschool Alliance, n.d.; Afterschool Alliance, 2008; U.S. Department of Education, 21st Century Community Learning Centers: Funding Status, <https://www2.ed.gov/programs/21stcclc/funding.html>.

⁶⁶ McCombs, Whitaker, and Yoo, 2017.

⁶⁷ Afterschool Alliance, 2008; Hollister, 2003.

⁶⁸ Afterschool Alliance, 2008; Afterschool Alliance, 2018.

⁶⁹ Lind, Relave, Deich, Grossman, and Gersick, 2006.

⁷⁰ Grossman et al., 2009.

instrumental in filling the funding gap when they know that service providers are losing government funds.⁷¹

Program Costs

OST program costs are affected by size, program type, program site, ages served, and time of year a program is offered.⁷² In its 2009 report, The Wallace Foundation used different types of cost estimates, including the average cost, median cost, and 25th and 75th percentile range, which each have advantages and limitations.⁷³ Researchers estimated the cost of providing the programs in four ways: cost per enrollee, cost per slot, hourly slot cost, and daily slot cost. Cost per slot estimates, unlike cost per enrollee estimates, accounted for the fact that participants usually did not attend every day of a program, and are useful for estimating the cost to provide or expand a program for a given number of children each day.

The report found that programs serving elementary and middle school children are less costly than those that serve older youth.⁷⁴ They also found that summer programs can be more expensive on a per slot basis but less expensive when measured hourly. There were large ranges in costs within the sample⁷⁵ and these variations were greater for programs for older youth, single-focus programs, and summer programs.

Capital and Operating Expenditures

The “Cost of Quality” found that staff salaries and benefits accounted for 65 percent of costs, while space, utilities, administrative costs, and transportation costs were 19 percent of costs.⁷⁶ Other program expenses—such as purchasing of programmatic materials, supplies and equipment—made up the remainder of costs.

While multiple studies have focused on operating expenditures, capital costs—costs associated with owning buildings and other infrastructure such as computers—are less well understood. In fact, researchers who reviewed previous OST program studies found that studies are typically

⁷¹ McCombs, Kirby, and Cordes, 2012.

⁷² Lind et al., 2006; Grossman et al., 2009.

⁷³ Grossman et al., 2009.

⁷⁴ Programs for elementary and secondary school students had average hourly costs of approximately \$7 per slot during the school year (or \$24 per day), and \$4 per slot during the summer (\$32 per day), in 2009 dollars. For programs serving older youth in high school, average hourly costs per slot were \$10 during the school year (\$33 per day) and \$8 per slot (\$44 per day) in the summer.

⁷⁵ Teen summer program costs, for instance, ranged from \$24 per day at the 25th percentile to \$63 per day at the 75th percentile.

⁷⁶ Grossman et al., 2009.

unclear about the cost elements they include, or sometimes explicitly exclude startup, capital, and system building costs.⁷⁷

The researchers found that among all OST programs costs and quality vary greatly and these differences are almost always driven by program design characteristics such as service hours, staffing levels, types of activities offered. Program characteristics in turn reflect funding availability, access to donated services and goods, and finally the age, needs, and interests of the children.

How Costs Vary by Type of Organization

The “Cost of Quality” report included multiple-focus programs, academic programs, and single-focus nonacademic programs in the sample of OST Programs.⁷⁸ The report defines single-focus programs as programs that have a specialized focus, such as theater, arts, sports, technology or leadership development. Multiple-focus programs offer an array of activities, often including both academic and nonacademic components. Academic programs focus exclusively on academic enrichment.

The variations in structure, staffing needs, and other expenses produce different costs for each type of program. Additionally, costs vary with the age group, the location of the program (school or community), and the nature of the program provider. The “Cost of Quality” found that single-focus nonacademic teen programs, such as those that specialize in drama, arts, or music cost the most due to materials and staffing costs. During the school year, school-based, school-operated programs were found to be the least resource intensive. These programs were more likely to be multiple-focus programs, which were less costly on average. Summer programs cost more daily but were less costly hourly, because of the number of hours programs operated. Importantly, costs are also sensitive to available resources: how much a school district decided to subsidize its space also affected costs. Programs tended to provide fewer staff per youth, and fewer teachers and certified staff when resources are constrained.

Program costs were affected by age groups served, with teen programs costing more on average than elementary/middle school age programs. Programs that serve multiple age groups were more expensive than those serving a single age group, likely due to the diverse needs of different age groups. While the programs studied by the Wallace Foundation all had a high proportion of highly-qualified staff, the staff at teen programs were more likely to be highly-qualified than at programs serving elementary and middle school programs.⁷⁹ Costs for teen programs were higher due to teen programs having different goals and serving a population with needs unlike those of younger children. It is harder for programs to attract and retain teens in OST

⁷⁷ Lind et al., 2006.

⁷⁸ Grossman et al., 2009.

⁷⁹ Grossman et al., 2009.

programs,⁸⁰ so these programs must be particularly engaging to be successful.⁸¹ Teen programs are less likely to be multiple-focus, as teens are more interested in specialized, single-focus programs. In some cases, these programs required resource-intensive environments to properly serve teens.

The Wallace Foundation found that staff salaries and benefits generally cost \$5 to \$10 more per hour in OST programs serving teens in 2009 dollars.⁸² Many (73 percent) of the teen programs in the study had leadership opportunities, which included the opportunity for teen participants to lead activities among their peers or to hold volunteer or paid staff positions. Staffing was found to be the main difference between high-quality and very high-quality OST programs: very high-quality OST programs spent significantly more (proportionally) on staffing, particularly on staff meetings, trainings, administrative costs.

Scale and Cost Pressures

The per slot cost of OST programs varies with the size of the program making scale an important factor in fiscal viability.⁸³ Larger programs had lower average costs than smaller ones, and daily and hourly slot costs generally decreased with program size. The study suggests that the minimum scale necessary for a fiscally sound program is between 100 and 200 slots. As the size of OST programs increased, averages costs were reduced up until these points. When past this capacity, additional management staff often had to be hired (e.g., an assistant director).

The “Cost of Quality” also suggests that many providers do not have the management capacity to take advantage of scale economics. Specifically, program managers often lack the capacity or ability to manage finances effectively,⁸⁴ hindering organizational growth.⁸⁵

Estimated Costs for the Washington Metropolitan Area

The estimated costs of providing OST programs for the Washington D.C. metro area is generally higher than the rest of the nation because of higher cost of living and especially higher cost of space. The Wallace Foundation research suggests that for a program with 50 slots, the median amount of resource needed to provide one week of afterschool programming (approximately 30 hours) across all types of programs and across all ages of students would vary between \$259 and \$470 in the D.C. area, with median cost around \$346 per student.⁸⁶ Summer programming is

⁸⁰ Lauver, Little, and Weiss, 2004.

⁸¹ Deschenes et al., 2010.

⁸² Grossman et al., 2009.

⁸³ Ibid.

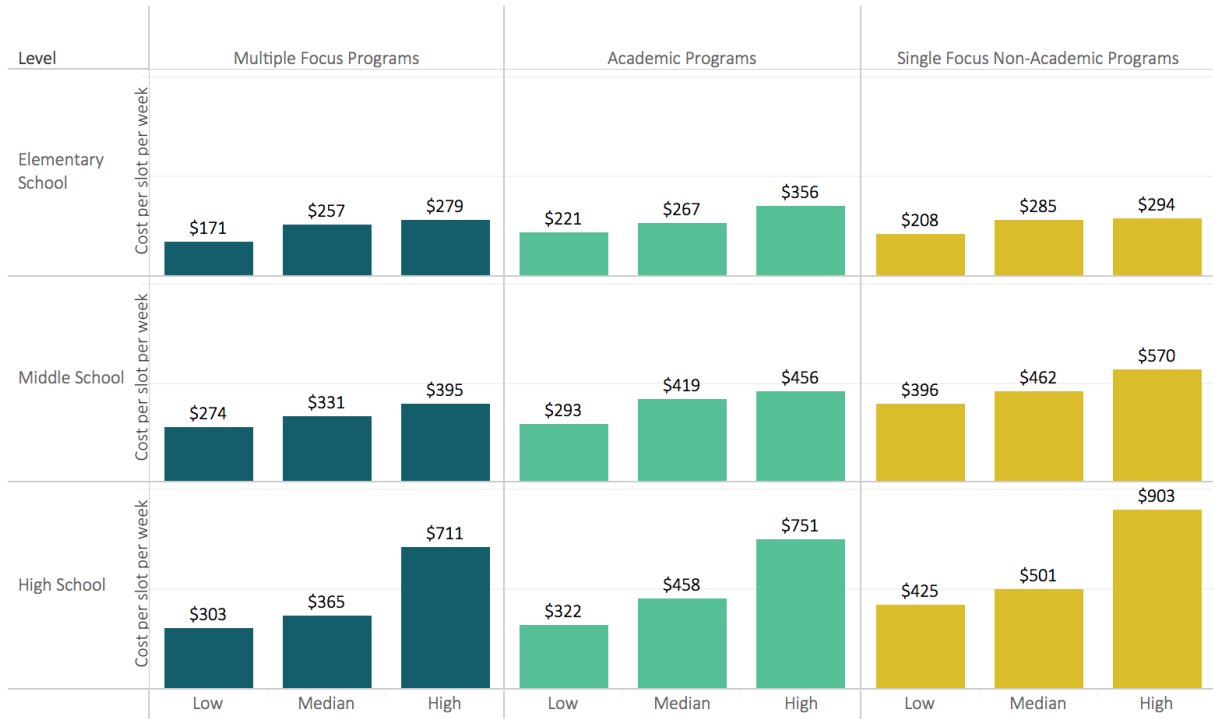
⁸⁴ Ibid.

⁸⁵ Devine, 2016.

⁸⁶ The estimate is based on data simulations using the Wallace Foundation Cost Calculator, adjusted for 2018 prices.

estimated to cost less, with weekly costs for a single slot varying between \$250 and \$348 (Figure C 1, following page).

Figure C 1 - Estimated Cost of One Week of Afterschool Programming at Elementary, Middle, and High School Levels in the District of Columbia, by type of OST program 2018



Source: Wallace Foundation Out of School Time Cost Calculator. Estimates are run on the assumption of programs that run through the academic year and the summer with fifty spots each. Costs are adjusted to reflect 2018 prices using the Washington Metro Area CPI.

Type
 ■ Multiple Focus Programs
 ■ Academic Programs
 ■ Single Focus Non-Academic Programs

The estimated costs are higher for older children and youth, especially for single focus non-academic programs. The median cost of a week of multiple-focus OST program at the elementary school level is estimated at \$257, which is \$74 or 28 percent cheaper than a multi-focus program at the middle school level, and \$108, or 42 percent, cheaper than at the high school level. There is little difference in providing, academic, non-academic, and multi-focus programs at the elementary level, but at the middle and high school levels, the differences are notable, especially at the high end of estimates.

Community-based programs are significantly more expensive than school-based programs. This is mainly because school-based programs do not have to spend significant amounts on space, and they rarely need to transport the students to their program location. At the elementary school, serving students in a community-based program is \$51 more expensive per child per week compared to serving them at a school location. At the middle school and high school level, the median cost is higher by about \$120 per student each week.

System Costs

The health of the OST programs, especially those receiving public or private grants to meet a certain mission, depend greatly on the strength of the system. The system includes the regulatory structure, level of government involvement and support of existing programs, and information collection requirements. Collaboration between different funders and providers can make the system stronger and lower costs. A 2010 report studied system-building efforts in Boston, Chicago, New York City, Providence, and Washington, D.C., five cities in which the Wallace Foundation had established an initiative to fund system-building. The report also examined the extent to which OST programs in each study collaborated after this initiative.⁸⁷

Four of the five cities increased the number of students served by OST programs after building their systems. Some of the challenges that OST programs faced included lack of funding, fragmented funding streams, and—in the case of D.C.—a change in mayoral control of the education system. Cities in the study improved data and information systems, worked towards more sustainable funding, and increased coordination across organizations.⁸⁸

The District of Columbia in the Context of National OST Programs

The findings of this report on OST program funding and expenditures in D.C. add important details to research published by The Wallace Foundation. First, the report examines the OST programs that are provided through agencies focused on workforce development and training; these programs are generally excluded from OST Program research, but included here because of the significant role the program offers in summer opportunities for local youth. In terms of overall expenditures and number of youth served, the District's SYEP provides the single largest OST program in the city. Other workforce programs, including those offered after school, bring additional funds supported by a mix of federal and local dollars. These programs also benefit greatly from in-kind donations from organizations that host the participants.

Additionally, the report provides details on how public and private providers shape the OST program landscape together. Previous research on OST programs has tended to focus on CBOs only, providing little analysis on programs managed by schools. In the District, DCPS-operated afterschool programs offer the largest number of slots in a single program, and the expenditure patterns are instructive to the rest of the OST program space.

⁸⁷ Bodilly et al., 2010. The goal of this system-building was to increase access and participation in OST programs, improve quality, and build infrastructure and systems to better manage and sustain OST programs.

⁸⁸ Walker, Grossman, Andrews, Carrington, and Rojas, 2015. It is important to note that interviewees believed that it would not have been possible without the funding from the Wallace Foundation; a 2015 report also found that when given support and training, nonprofits were able to increase their fiscal and resource management capacity.

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