

Community Development Division: Funding Process Study Update

Background and Context

Two key research studies— the [Race to Equity Report](#) and a study of [Madison's Social Sector](#) by Joiner Sandbrook LLC--highlighted the changing landscape of poverty and well-being in Madison and Dane County in 2013. In response, the Mayor and Common Council appropriated funds to analyze existing CDD policies and practices and make recommendations for improving them.

The Funding Process Study is organized into three key phases: Discovery, Design, and Implementation (see Appendix for details on each phase). This report is an update on progress since the Community Conversations from the Discovery phase were published in November.

Four key themes were voiced in the Discovery phase:

1. ***Change is necessary to make enduring impact.***
2. ***The scope of challenges requires a coordinated effort beyond just the Division.***
3. ***CDD can take the first step by defining their desired goals and agenda.***
4. ***There is a broad level of excitement to be involved in and support this effort.***

Common themes were identified among the challenges, including:

- * The scope of funding is broad and diverse, but goals are addressed through individual programs, which discourages collaboration.
- * Community engagement is limited, and not focused on needs or impact.
- * Process does not support innovation or capacity building.

These themes have been used to guide the discussion of the goals and priorities for CDD and will guide the design and implementation of future funding processes. The guiding assumption has been that by focusing on the root causes of community challenges, CDD can support collaborative solutions to Madison's collective problems and build the capacity of the community to address them.

Recommendations

The following recommendations describe the broad direction for CDD's future as well as the immediate next steps. The final phase, Implementation, will support these changes through the collaborative efforts of CDD stakeholders. The recommendations are organized into four categories: strategy, funding process, values, and implementation. These recommendations have been developed based on the feedback and involvement of community stakeholders, CDD staff, and committees. The next steps to advance these recommendations and operationalize changes will be developed in partnership with community stakeholders, CDD staff, and committees.

The primary focus of the process (so far) has been to clarify the mission and vision of CDD itself. Historically, CDD has been loosely organized in silos of activity¹; each with its own approach to service. Moving forward, CDD become more integrated, internally. The anticipated benefit of this shift will be an increased capacity to address community needs at the system level. Beyond integration, the focus of the mission and vision will be evaluated in context of their impact on poverty, racial equity, and social justice in Madison. This lens will be applied to all activities, policies, and decisions. Lastly, CDD has affirmed its focus constituents and identified the roles CDD will pursue to realize these changes.

Theme	Recommendation
CDD Strategy	1. Clarify mission and vision
Funding Process	2. Design for equitable involvement and inclusion
	3. Establish closer funding partnerships
	4. Revise staff and committee roles
	5. Apply process improvements
Critical Characteristics and Guiding Values for CDD Activity	6. Focus on systems-level change
	7. Foster collaboration
	8. Increase effectiveness by building capacity
	9. Create efficiencies and reduce barriers
Implementation and Transition	10. Utilize multiphase planning

Next Steps

Sustainable change takes time; we recommend CDD make strategic and organizational shifts in a multiphase, incremental approach that supports building its capacity to be successful and more effective. We anticipate the implementation of initial changes occurring over a three to five year time frame with ongoing review and revision along the way. The landscape of the community is in constant state of change; CDD’s approach must continuously adapt to reflect this reality.

Further community engagement conversations will be held to discuss specific recommendations at existing community events and/or in unique conversations. Multi-disciplinary implementation teams will be formed to advance recommendations related to staff engagement and integration, process improvement, intra-city collaboration, equity and inclusivity, community engagement, and pilot innovation. The 2015 funding processes will introduce new approaches to service and funding in systems that have (1) experienced significant **changes in landscape** (e.g., changes in service systems, roles, or funding shifts); (2) opportunity to implement changes on a **small scale** to evaluate for effectiveness, gather insights and learning, and ability to replicate in other areas; (3) the **motivation and capacity** of potential providers and stakeholders; (4) the opportunity for close **partnership with other funders**; and (5) a high likelihood of success. All efforts will introduce broad concepts CDD seeks to pursue, including impact on poverty, racial equity, and social justice; effective collaboration; community engagement; and capacity building.

¹Organized as community development, community services, child care, and senior adult services.

Appendices

Funding Process Study Phases

The Funding Process Study is organized into three key phases: discovery, design and implementation. This report is an update on progress since the Community Conversations from the Discovery phase were published in November.

Phase 1: Discovery (June 2014 – November 2014)

The primary purpose of the first phase of the Funding Process Study was to engage as many voices and perspectives as possible to build understanding around the current situation. These community conversations are being used to inform discussions of what can be done differently or better in the future.

There were 31 separate conversations (focus groups, small group meetings, one-on-one discussions) with stakeholders representing CDD staff, CDD committees, partner City agencies, the Mayor, Common Council, related Dane County agencies, funders, grantees and applicants, faith-based organizations, the University of Wisconsin-- Madison Metropolitan School District, and the Capital Area Regional Planning Commission. Please see the [FCI Conversation Themes Report](#) to review the full findings.

Four key themes were voiced throughout every conversation:

1. **Change is necessary to make enduring impact.**
2. **The scope of challenges requires a coordinated effort beyond just the Division.**
3. **CDD can take the first step by defining their desired goals and agenda.**
4. **There is a broad level of excitement to be involved and support this effort.**

The themes have been used to guide the discussion of the goals and priorities for CDD throughout this project and will continue to guide the design and implementation of future funding processes.

Phase 2: Design (November 2014 – March 2015)

CDD formed a team and work plan to incorporate the feedback, insights and takeaways from the Discovery phase into a strategic framework for reaching these goals. The resulting efforts, described in this report, chart the opportunities, barriers and partnerships that will affect CDD's direction and approach to change.

Phase 3: Implementation (March 2015 – December 2015)

Ultimately, success will be measured by community change, not just change within CDD. The final phase consists of support and assistance in implementing the plan outlined in the Design phase in order to bring about that change.

Recommendation Summary

- 1. Clarify Mission and Vision:** Sharpen CDD focus on poverty, racial equity and social justice issues by explicitly emphasizing priorities for who is being served, and connecting all work to creating conditions that will give all residents and neighborhoods the opportunity to realize their full potential.
- 2. Design for equitable involvement and inclusion:** Identify new pathways for involving individuals and communities that reflect the diversity of Madison (racial, cultural, social, gender) to shape strategies, provide services, allocate resources, evaluate performance and direct change within the City of Madison, CDD, grantees and the community.
- 3. Establish closer funder partnerships:** identify opportunities for collaboration and shared planning between funding entities (other city agencies, county, United Way and private funders)
- 4. Revise staff and committee roles:** Reconsider citizen committee structure (e.g., consider merging CDBG and CSC, remove Conference Committee) and staff roles (increase focus on roles as partner, evaluator and advocate)
- 5. Apply process improvements:** Increase capacity of CDD by improving work processes, e.g., streamlining application, extending contract lengths, staggering reviews, and incorporating data into decision-making)
- 6. Focus on systems-level change:** Focus on the systems within the community (geographies, service networks) instead of on individual agencies or programs to better understand impact.
- 7. Foster collaboration:** Process should address and reward collaboration between providers, stakeholders and the community to establish shared agendas for impact
- 8. Increase effectiveness by building capacity:** Provide opportunities and financial support for organizational capacity building and planning for greater sustainability and impact.
- 9. Create efficiencies and reduce barriers:** Explore opportunities for increasing efficiencies within the systems (e.g. cost-sharing measures, strategic integration) and reduce barriers to risk
- 10. Introduce Multiphase Planning:** Apply changes in multiple stages that focus on applied learning while minimizing service disruption in the community.

Theory of Change (as of May 12, 2015)

CDD Vision	All Madison residents and neighborhoods have access to resources and opportunities necessary to help them realize their full potential
Lens	What is the impact on Poverty, Racial Equity, and Social Justice?
Desired Community Conditions	<p>Stable households, healthy neighborhoods, supportive communities</p> <p>Positive human development and educational attainment</p>
CDD focal areas that support desired community conditions	<ul style="list-style-type: none"> • Housing • Employment and economic empowerment • Crisis support • Individual and family well-being • Early childhood education • Out of school time programming • Diverse options that fit individuals of all ages
CDD roles	Effectively steward city resources by serving as a funder, partner, evaluator, and advocate
CDD focus constituents	Low-income residents and families; vulnerable populations; broader community and neighborhoods
CDD Mission	The Community Development Division collaborates with residents, neighborhoods, and other community stakeholders to help overcome barriers to opportunity.