

Testimony to City of Boston Council

By Kristel Kurtz, Managing Director Third Sector

August 8, 2019

Good Afternoon,

Thank you councilors for the opportunity to participate in this hearing today. My name is Kristel Kurtz and I am a Managing Director at Third Sector. We are a nonprofit consulting organization (501(c)3) that advises governments, community organizations, and funders on how to re-invent the way they pay for and invest in human services. We work alongside communities to help realize a thriving future of educational opportunity, economic mobility, housing stability, and physical and mental health. Our proven approach is to collaborate deeply with our clients and stakeholders to define impact, draw actionable insights from data, and drive outcomes-oriented funding. Since our founding in 2011, we have worked with more than 40 communities across the country to implement effective practices that have transitioned hundreds of millions of dollars in public funding and deployed tens of millions of dollars in private capital to programs that measurably improve lives.

A relevant example of accountability in funding is our recent work with the Massachusetts Department of Transitional Assistance (MA DTA). Our project is rooted in the insight that as of January 2018, 45% of adults, who received economic assistance under the Massachusetts Transitional Aid to Families with Dependent Children (TAFDC) program, had grown up in families that also depended on this program. MA DTA Commissioner, Jeff McCue, recognized, “We have to do something different to break the cycle of intergenerational poverty.”

Our initial focus was the Young Parents Program (YPP) which was up for re-procurement in 2018. Previously, in 2008 the YPP procurement incorporated funding accountability through forward thinking incentive structures, like contingent payments tied to the achievement of outcomes. And yet 10 years later, this program was not generating the desired impact. Largely this was due to a lack of reinforcing mechanisms that allow for real time program adaptations and validation of outcomes achievement.

In a rapid six-week project, we worked with DTA to revise their Request for Proposal and contracts for the Young Parents Program. This included \$30M over 8 years (funded via TAFDC (TANF)) and was intended for ~550 pregnant and parenting young adults per year, ages 14-24, who receive transitional aid (TAFDC) and who have disengaged from education.

We used Third Sector’s Fundamental Components of Funding as a guide to this procurement design. This includes:

- **Stakeholder Engagement** across funders, providers and their front-line staff, and community participants. In this case of young parents programming we focused on engaging providers.

- **Outcomes Vision** collectively articulated by stakeholders with the human experience of a defined population at the center. For DTA this vision centered on young families participating in transitional aid to alleviate multigenerational poverty.
- **Metrics** to measure and follow the progress towards desired outcomes within this distinct population of young parents who have disengaged from education. Metrics included enrollment, parent's credential attainment, housing stability, child's education goals and more.
- **Data Sharing & Evaluation** plan to collect and share both qualitative and quantitative data on those metrics during the contract or grant period (and afterwards) to ensure accountability.
- **Continuous Improvement Processes** to give providers the flexibility to access and learn from data and each other; to innovate across the entire experience from referral to follow-up; and to continually improve outcomes.
- **Incentive Structures** to reward providers that meet or exceed outcomes goals & measurably improve lives through both financial incentives & non-financial incentives like improved data access and altered reporting requirements.

We believe that by embracing these funding fundamentals, agencies like MA DTA and communities make real and measurable progress towards their desired outcomes.

For me, as a 21-year resident of Charlestown and a mother of two Boston Public School students, I know how far my neighborhood has progressed in violence reduction and increased access to opportunity. This progress is rooted in deep partnerships between our neighbors, our community organizations and our government. I also recognize that our progress across the city has been uneven and often individual experiences and outcomes vary widely.

To address accountability in Violence Prevention and Intervention funding, a place to start is accounting for where that funding currently resides. From a brief analysis of the City of Boston's FY20 Operating Budget¹ totaling \$3.48 billion, there is not a specific category for these priorities. Rather city funding is likely threaded across multiple departments, programs, and expense categories and supplemented by federal and philanthropic grants. By drawing a holistic picture of what is budgeted, what neighborhoods are being served, and which defined populations (like students, justice-involved youth, young parents, domestic violence survivors) who are being served, we can then begin to account for our prevention of violence.

The City of Boston has the opportunity to engage our neighborhoods to articulate our shared vision and subsequently our progress towards our desired community outcomes. The city can be a leader through funding violence prevention and intervention services and be the facilitator of data-sharing and continuous improvement to achieve the outcomes we desire.

Thank you again for the opportunity to participate in this meaningful discussion this afternoon.

¹ <https://data.boston.gov/dataset/operating-budget/resource/a7054fcd-3dab-499e-8171-d75aff7548fe>