

## **THE CHANGING FACE OF FUNDING: THE PARTNERSHIP GRANT PROGRAM IN ALAMEDA COUNTY**

**Patrick Morrisey\***

### **EXECUTIVE SUMMARY**

The County of Alameda offered the Partnership Grant Program (PGP) to the Bay Area Social Services Consortium Executive Development participants for case study. My objective was to learn more about innovative funding opportunities while also looking at the prospect of generalizing the program in San Mateo County.

The Partnership Grant Program funds primarily community-based individuals and organizations in efforts that directly support CalWORKs goals. Some of the awards are also granted to governmental projects.

The funding for this project comes from CalWORKs incentive money which has a degree of flexibility and is well suited for this project. However, these funds are in danger of being reduced in the future.

The PGP is unique due not only to funding but also the program's style of doing business. It functions much like a modern business or a foundation. Traditional government practices are beneath the surface, but the businesslike practices are quite visible.

The Partnership Grants Program has been in operation for one year and has made significant adjustments in that time. They have awarded grants within the community in two cycles and are beginning the third. One of the business practices which is most impressive is the ability to self-evaluate and adjust to a changing environment. After a few

months of operation the staff did an extensive evaluation and made significant improvements in their process. The program manager continues to be committed to such an approach.

Temporary Aid for Needy Families (TANF) and California Work Opportunity and Response to Kids (CalWORKs) legislation has placed some demands upon the social service systems that are difficult and the progress of implementation has been slow. The Partnership Grants Program's practices, on the other hand, have been relatively quick and responsive. Welfare reform has demanded change, and PGP is helping the system change in Alameda County.

San Mateo County should be able to adapt some of the ideas developed by the Partnership Grants Program. Although there would have to be some adjustments to the process, the general concepts and organizational strategies should be considered for implementation in San Mateo County.

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### **INTRODUCTION**

Temporary Aid for Needy Families (TANF) and California Work Opportunity and Response to Kids (CalWORKs) legislation has provided significant opportunities for innovative programs. These welfare reform mandates have given local governments both the chance and the charge to break out of the old government mold. We have the opportunity to do some things differently for the people we work for. The County of Alameda has seized the moment and created a program that does just that. The Partnership Grant Program is one that blends modern business practices with government. It does not stop there, as it also brings in concepts and practices from the philanthropic sector.

It is the purpose of this paper to discuss Alameda County's Partnership Grant Program (PGP) and the possibility of its replication in the County of San Mateo.

### **BACKGROUND**

There are many talented dedicated public servants working in government. The exploration of this new project has introduced me to some who I had not met before. My observations of the Partnership Grants Program are that it is not only new, business-like and unique, but also a program with value and substance for its customers.

County governments generally use very conservative means and methods of delivering services to its communities. That makes great sense considering the charge before us. We are guardians of the public trust, which includes not only the public well-

being, but also the public's resources and tax monies. Risky business is not the domain of government. We can all recall scandals in which large errors have been made, and cities and other public entities have gone bankrupt or citizens have suffered reductions in service due to poor fiscal policy. At the same time, the demands of huge mandates such as welfare reform and an unprecedented economic boom (for some), call for new and innovative thoughts and practices.

### **THE PARTNERSHIP GRANT PROGRAM (PGP)**

The Partnership Grant Program is a program within Alameda County's Social Services Department. It was created under the guidance of Rodger Lum, Ph.D., Director of Social Services. PGP has one main charge, which is to create opportunities for development and implementation of services to the CalWORKs population in this Alameda County.

The Partnership Grant Program is a unit within the Social Services Agency that is designed to take special CalWORKs funding and use it to further CalWORKs goals within the county primarily using non-profit agencies. The spending must directly support the efforts of CalWORKs. Awards made by PGP must be used to serve Alameda County residents who are CalWORKs recipients or meet other specific requirements.

The following text is quoted from the Partnership Grants Program website ([www.co.alameda.ca.us/assistance/index.htm](http://www.co.alameda.ca.us/assistance/index.htm)), which describes the program's goals well.

## Goals of the Partnership Grant Program

The Partnership Grant Program is designed to assist the Social Services Agency in addressing its strategic goals of protecting individuals and families; promoting independence and self-sufficiency; strengthening families and communities; preventing crises before they occur; and partnering with the community.

The current priorities of the Partnership Grant Program are to:

1. Promote learning, increase skills, and enhance organizational self-sufficiency and effectiveness;
2. Enhance social service delivery systems and networks, and promote service integration and interagency collaboration;
3. Encourage the growth of formal and informal neighborhood collaboratives and community programs;
4. Increase the involvement of clients in service planning, delivery, and evaluation, and help agencies respond to the cultural and linguistic needs of clients;
5. Develop holistic approaches to the needs of individuals, families, and neighborhoods;
6. Foster new community-based employment opportunities for low-income men and women; and
7. Promote intergovernmental cooperation that improves results-based management, accountability for outcomes, and improvement of process.

Is this all just new language to describe business as usual? No! This is truly an innovative model of change, which could have vast implications on how government operates in the future.

In separate individual interviews, I asked staff and the director “Who are the major stakeholders in this project?” Three of the four people asked responded that they work for the citizens of the County of Alameda.

A powerful feature of the work is the constant evaluation by staff. Every contact with this program included some discussion about how this is or will be better than the last time. Another important paradigm shift is the client focus of administrative staff. Staff is required to spend time each week on the first floor of the building where the public comes in to receive services. This unit is not insulated from the real work or the people they serve.

Partnership and Grant are not just words in a name. They are essential elements of this project. Staff works with the applicants as if they are partners. For example, the application process it is not the standard Request for Proposal arrangement. This process requires an applicant to fill out a simple form. The form is five pages of mostly fill-in-the-blank questions. It has just enough narrative to allow the applicant to demonstrate the unique program. The rest of the form provides the PGP staff with enough information to evaluate the project request. An applicant has no need for a grant writer in order to access this funding opportunity. The form is available on line and they have plans for an actual online application submission. These are modern businesslike tools for government. In the spirit of true partnership, staff support is available to applicants from the beginning.

Staff does an initial screening to pass forward the well-developed fundable projects. They rate each request in a highly objective fashion. Those seen as good or great ideas that have some fatal flaw are directly discussed with the applicant. Feedback

and support are offered. These projects may be funded in the next round after the appropriate adjustments are made. The support is far greater than what is generally seen in a grant or proposal system.

The word grant is also different from government's business as usual. Much government funding is distributed through a proposal and contract process. The grant process is different, more partner-like. It should be noted that the funds are actually paid to the grantee in the form of a contract. The process really mirrors a partner-like grant process rather than a contracting system. PGP is investing in the community much as a foundation would.

### **How Does it Work?**

The program operates on a schedule of four grant cycles per year. Grants are offered in four categories. The first is Organization Building. This category of funding is designed to support community individuals and organizations to pull together and coordinate.

The second funding category is called Neighborhood Building. In this area, funding is used to support the development of neighborhood and community-based collaborations and networks. These grants are designed to help these groups achieve nonprofit status, purchase equipment or materials, build linkages within the community and build effective partnerships.

The third category for funding is called Neighborhood Job Creation and Employment. In this category the grants are to help build new opportunities for employment or low-income persons within Alameda County.

The final category of grants is called Inter-governmental Initiatives. In this category, one-time grants are provided to increase collaboration between government organizations, such as other county departments, school district courts and city governments. This category is the only group that requires matching funds.

A significant strength of this program is its use of business systems principles. The program is not seen as a freestanding entity, but as a part of a greater whole and is seen as interactive within a system. The staff and management of the program make frequent reference to "the double feedback loop" which is not only responding to the perceived needs but also to the changes that result from the program itself. This program is always changing to meet the changing needs of those served.

One of the greatest assets of this program is taking the expertise and resources of the county into the community. PGP empowers small community-based service delivery programs. While there is some difficulty (lack of infrastructure) in the small non-profit structure, there is also the strength of the people, the flexibility, and the inherent ability to turn on a dime.

PGP, for example, will engage legal staff to help the small business incorporate as a legal non-profit or help them collaborate with another agency in the community to implement their project while not duplicating another's effort.

There is an aspect of the Partnership Grants Program not yet addressed that deserves further exploration. This is the connection with the philanthropic sector. PGP is not only leveraging the non-tangible resources of the community skills and power, but also the finances. The PGP manager is

collaborating with the members of foundations to enlist them as partners in the community efforts. These partnerships are another example of a new way of doing business. The Partnership Grants Program manager reports that the foundation-funding world has traditionally kept itself separate from the efforts of government. While this is understandable and may have made complete sense, the idea of such a partnership sounds like a terrific opportunity for both sectors to serve the people. The PGP reflects integration of sound modern business systems into local government.

New business is seen as responsive and flexible. Business is able to assess the need of the customer, develop the response, and implement it. At the same time, the environment is being monitored so that adjustments can be made to the plan in progress. The cycle goes something like this. Assessment, development, implementation, evaluation are all in a continuous cycle. The Partnership Grant Program brings much of this business paradigm into government.

The Social Services Agency of Alameda County developed a 1999-2004 Strategic Plan. While this plan does not name the Partnership Grant Program as such, all of the elements of the program are contained within it.

The introduction of the strategic plan calls for four key action components. Two of them are “Partnership Grants for the Community” and “Partnership Grants for Government.” As you will read below, these match two of the four funding categories of the Partnership Grant Program.

In Part IV of the Strategic Plan, “Putting the Plan in Action” these grant categories are explained in further detail. The strategic plan sets forth the out-

line upon which the Partnership Grants Program was created. In looking at this innovative program, I was often brought to the question, “how could this be done?” The answer is only with tremendous commitment and strong support from the existing system. This backing comes from the highest offices in the Social Services Department. It is apparent that such a program would not work without this level of support. The management and staff of the Partnership Grant Program are constantly talking of (and using) new business practices in government. It is plain to see how much resistance there is within the structure of government to these types of change.

## VIEWS FROM OUTSIDE

I had the opportunity to see the Partnership Grants Program from numerous perspectives. This project is being promoted in a number of circles. In working with the project, I was able to watch staff present the project in four different forums. It was presented at the March 2, 2000 CalWORKs forum and to the second round grant panelists. I was also present for a presentation to a subcommittee of the Alameda County Board of Supervisors as well as a presentation to the Bay Area Social Services Consortium (BASSC) meeting. The presentations were well-organized and professional. They were tailored to each specific audience and used modern technology to assist in delivering the messages.

Each of these meetings had a different flavor and a different scope. The program was well received in every instance. There were always questions, but it seemed that the approval was always there. For example, in the CalWORKs forum, people were pleased to hear of the ease of accessibility of this program. They expected a long complicated request for proposal as is the usual case and they seemed

surprised to hear a county government official talking about reducing barriers and forming partnerships. The concept of “breaking the bureaucratic mold” is attractive at the community level. There may be a bit of fear in the traditional non-profit community provider who might feel their funding is threatened by this new opportunity. However the funding of the Partnership Grants Program is different from, but does not provide direct competition for, existing projects.

In the BASSC meeting, the directors from the other counties had a number of questions about the funding. They seemed quite impressed with Dr. Lum's concept and were complimentary as to the clever use of CalWORKs incentive funds. They also seemed genuinely interested in the unique collaboration between the community agencies and the county.

I was impressed by the reaction of the grant panelists in their orientation meeting. Many of the second round panelists had been on the first round also. There were almost cheers when staff revealed new procedures. The increased level of staffing had made it possible to screen out the obviously unqualified applicants and the new internal screening was highly organized and well documented. In the first round, all reviewers reviewed all the proposals. In the second round each reviewer was asked to review no more than ten that had been pre-screened. Reviewers were given the applications and screenings in both hard copy and on disk. Those who had experience on both round one and two were most appreciative of the staff efforts.

### **Site Visit**

I accompanied PGP staff on a site visit to an applicant's community location. This was an especially

interesting visit in that the applicant's request had been turned down twice. This is a perfect example of the strength of the PGP operation. The in-person visit did something that the applications, the telephone calls and other conversations had not done. The visit showed PGP staff the possibilities that actually existed. That which did not seem fundable became a viable project. After seeing the site and meeting staff and clients, the program became more real to staff and they worked with the director of this community program to develop a fundable request. At the time of this writing, the project is in serious consideration for funding.

### **LESSONS LEARNED**

The Partnership is one year old. Many lessons have been learned in the first rounds of grantmaking. In September 1999, the PGP Program Manager wrote a staff analysis paper. This analysis is important to the Partnership Grants Program and to any entity considering replication of the project. In this paper, numerous impediments are noted and will be reviewed here.

Staff noted that the program was prematurely released. It seems that there were some factors regarding funding which drove this project to be released before it had been completely developed. The Program Manager and staff have instituted a number of changes that would have been beneficial from the start. For example, the manager notes that the original eligibility criteria were too broad. Likely, this factor contributed to the number of applicants who were turned down in the first round.

A second issue was that of staffing. The program was started with three staff, one full time equivalent (FTE) employee, an intern, and a temporary clerical staff. This was a serious underestimate of the work-

load. At the time of the writing of the analysis paper, the project manager recommended five FTE's including one Management Specialist, two Management Analysts, one administrative person, and one person for clerical support. After observing this project for a short time, it seemed clear that this is a conservative staffing pattern when one looks at the magnitude and diversity of the tasks at hand. In the current configuration, the staff promotes the program and solicits both grant applicants and granting partners to leverage resources. They then organize the applications and prescreen them. Staff then must prepare documentation for the grant review panel. They must train and support the panel. PGP staff is also supporting potential applicants, giving technical assistance to current applicants as well as current grantees. Contracts must be developed and shepherded through the standard contract process. These are but some of the more obvious tasks required by this project.

Because of the above items (premature release and staffing issues), there were significant struggles relating to infrastructure. These factors also led to programmatic errors. The idea of the program and the promotion were there, but things like policies, procedures, and protocols were not in place. More staff and greater lead-time may have played an important part avoiding some of the early errors.

The program manager identified "historic entitlement syndrome" as a factor that impedes the progress of any project like this. There are those who have been successful with the traditional system, and an innovative streamlined program may shift the balance. Many communities have well-established long-standing networks of non-profit organizations. The agencies are at times closed to new protocols that may invite new partners with new ways of doing business.

Intergovernmental collaboration is seen as an area of significant challenge. Quite simply put, it is very difficult to change the way government does business.

The establishment of a well-informed and strongly supported grantmaking panel proved to be another area of difficulty. The lack of staff and the aforementioned lack of established protocols made the panel's job very difficult. In the second round of funding, which took place in the winter/spring of 2000, the staff support and clear guidance was a vast improvement for the panel.

A final struggle identified by the program manager is that of internal misperceptions within the county. The other agency units were unable to really grasp what was happening with this new program.

The lessons learned in the first year of operation of the Partnership Grants Program have been very important. Knowledge of these lessons would make replication of the project much smoother.

## **IMPLICATIONS FOR SAN MATEO COUNTY**

San Mateo County is looking for best practices in the field. The Partnership Grants Program looks like a powerful opportunity to serve our citizens. As we have differences from the county of Alameda in our size, demographics, TANF and CalWORKs population numbers, it is important to consider what adjustments we would consider in order to best do the job in our county.

I have made some preliminary inquiries within the Human Services Agency in San Mateo County, and there is a perception of need for the services provided by the Partnership Grants Program. However, we do not have the same level of incentive funds as

Alameda County. In addition, there is a sense that these funds may not be available in the future. The Director of the Human Services Agency has expressed an interest in the project.

The Director of the Partnership Grants Program was generous with his time in this case study, and he indicated he would support our county's efforts to develop a program through technical assistance. The value of the program is being recognized. I hope that we, among others, will be able to benefit from it.

This program is truly an effort that brings the resources closer to the people in need. It may be a trite, old metaphor, but the Partnership Grants Program teaches people to fish rather than just providing fish. The concept is truly empowering.