



BREAKING THE CYCLE OF CHILDHOOD POVERTY

in Benton & Lincoln Counties

The consequences of poverty are clear for those who look.

The results of not addressing the causes of poverty in our own community are dire.

United Way believes we need to act now to Break the Cycle of Childhood Poverty (Break the Cycle), and create cycles of family stability for a future that will be happier, healthier and provide more opportunity for all of us.

Introduction

The consequences of poverty are clear for those who look. The results of not addressing the causes of poverty in our own community are dire. United Way believes we need to act now to Break the Cycle of Childhood Poverty (Break the Cycle), and create cycles of family stability for a future that will be happier, healthier and provide more opportunity for all of us.

Breaking the Cycle is now the primary goal of United Way's community investments, which totaled more than \$600,000 during FY 2014-15.

Breaking the Cycle encompasses four needs: Affordable, quality childcare; educational supports for youth; life and job skills training for youth and young adults; and financial literacy. A fifth item, funding to fight food insecurity, is a focus of the United Way Basic Needs grant cycle in Benton County beginning in 2015.

This initiative will take time to pay off, but we know from best practices developed by other United Way-led efforts that the return on investment, over time, will be large, noticeable, and will change the trajectory of poverty in Benton and Lincoln Counties. Only by being proactive will we make lasting change in the landscape.

Poverty affects thousands of Benton and Lincoln County families in the midst of plenty.

- 35% of Benton County mothers with children under 18 live in poverty*
- One in six Benton County children live in poverty *
- 17% of Lincoln County residents live in poverty
- 22% of Benton County residents live in poverty
- Child care costs in aggregate account for 59% of the budget of a Benton County family earning minimum wage *
- Child care costs in aggregate account for 57% of the budget of a Lincoln County family earning minimum wage
- 67% of children in our service area are at risk of poor developmental outcomes, based on the definition of risk from the Oregon Department of Education
- Nearly half of children growing up in poverty remain impoverished as adults **
- Children of color are less likely than white children to perform at trade level and score less in early math and early literacy assessments. As ethnic diversity continues to increase in all grades, as is expected, improving performance may become more challenging

Conditions of poverty also strongly tend to repeat themselves across generations. As a community we have reached a tipping point where we must disrupt the trajectory of the poverty cycle. Otherwise, we will not be able to meet the cost in the years to come.

This document lays out how United Way reached this conclusion, why we believe it is critical to act now, and how we'll do that. Our work will make a lifetime of difference for those who need help the most, while benefiting the community at large.

How we got here

This call to action summarizes years of work by United Way staff and volunteers who engaged in thousands of hours of research, listening, discussion, and community outreach. It draws on best practices brought forward by community members, our local partners, national collective impact thought leaders, and other United Ways.

Historically, United Way has funded priorities in Income (Financial Stability), Education and Health. The findings of our 2010 Needs Assessment, and subsequent conversations, led to forming Vision Councils for each area in Benton County, and convening conversations with key stakeholders in Lincoln County to assess and monitor how existing services meet current and emerging needs. Together, we identified critical issues and determined priorities for United Way's potential resource allocation, thus creating a trajectory for community-wide change.

We also observed that outcomes in one field of concern affect outcomes in another. For example, high school dropouts are twice as likely to live in poverty as high school graduates and three times more likely to be unemployed than college graduates. This not only affects their individual or family financial stability but is also a huge social burden, directly costing Oregonians more than \$900 million each year. There is also a direct correlation between life in poverty and poor health outcomes.

United Way's historic "One Ask on Behalf of Many" successfully mobilized a large measure of community funding for the common good for many years. But it only responded reactively to existing need; it did nothing to proactively create opportunities for improvement.

As one of our agency friends says, "Money is great. We'll take your money, because it pays for our programs. Unfortunately, money alone does not buy solutions."

Solutions are what our communities need, and what United Way and its allies are prepared to provide.

To achieve these solutions, United Way has begun a two-track funding method as the result of what we have learned. The method gives appropriate consideration to both **intervention** (programs that meet need today) and **prevention** (solutions to keep problems from happening or worsening):

1. Meeting **Basic Needs**, an intervention/crisis-based system to fund emergency and/or transitional services, with Benton County priorities based on Corvallis City Policy CP 00-6.05 section 6.05.050. Lincoln County priorities are based on Granting Committee deliberations, and local assessment tools.
2. An RFP-based Prevention Cycle to fund prevention-based services and collaborations aligned with our overall goal of Breaking the Cycle of Childhood Poverty. This begins in 2015 in Benton County and in 2016 in Lincoln County.

We need to fund solutions, not just programs. We must build population-level change while protecting emergency response. United Way leads with a vision for community transformation, built on increasing families' ability to become increasingly self-sufficient.

Why United Way?

All our key stakeholders expect United Way to work from the proactive position of prevention, rather than only funding programs for intervention. By adding a second track to our funding mechanisms, we will do that.

Underwriting intervention changes individual lives, but it doesn't create lasting community-wide change. Everyone engaged in intervention work knows this. So, we were asked to identify and attack root causes of problems. That led to the question, "How can United Way best deliver on this mandate to address the complex problems faced by our community?"

This is not an easy question to answer. There are so many interwoven threads in our community's safety net, it can be hard to know which one to tug on first. It's the same in an individual life: problems are complex and always interconnected. Breaking the Cycle is about how the community response also needs to be interconnected, and why we must work in common fashion toward common goals. If we are successful providing hope and a hand up for those who need it, it will mean a better life for all of us. The majority of our funding historically addresses the results of the poverty cycle. We now add a second, wider effort to attack its root causes.

United Way is uniquely positioned to lead the charge against tough community-wide problems. We have a decades-long history as a mobilizer of resources. But United Way has evolved other strengths, built broad-

based coalitions and now stands at the crossroads between resources and effective change.

In addition to strong relationships within the social services community, we also have healthy partnerships in the business and government sectors. We work with all these partners together to leverage resources for community-wide change; we also assist them in crafting effective policy. Meanwhile, our agency partners rely on us to keep them connected with the wider world as they focus tightly on the populations they serve.

The **mission** of United Way of Benton and Lincoln Counties is “to increase the organized capacity of people to care for one another.” The material focus of the mission statement is “organized capacity.” That is, the coordinated ability to get things done, to make progress, to achieve positive change. The action that enables this is caring for others.

“Care” is a call to action! Caring attaches importance to others, so we take action assuring they have what they need for their health and well-being. Caring within the context of the United Way community means to look after our neighbors, all of our neighbors, and to create conditions to provide for all their well-being.

Consider your own life, your friends and neighbors’ lives and draw parallels between them and the life of the community at large. You will begin to see the patterns our Vision Councils identified during their assessment process.

As you move through this document, when you encounter a term in bold italics you can learn more about it in the Glossary beginning on page 7.

How Does the Community Break the Cycle of Childhood Poverty?

United Way’s leadership on this initiative is underway with the 2015 funding cycle. The preventative funding track centers on creating a cycle of family stability within the three core areas of United Way interest: Income, Education and Health.

By prioritizing the financial stability of families with children in Lincoln and Benton Counties, these families will be better able to provide for themselves, positively affecting their educational and health outcomes. A family that is financially unstable is one emergency away from disaster and often unable to provide for their everyday needs, which makes the likelihood of an emergency that much greater.

Financial stability occurs on two levels: short-term and long-term. In the short-term, a family may be financially stable if they have food to feed themselves and a roof over their heads. Long-term stability is a much different matter. Through our research, community conversations and wide-ranging deliberations across both counties, it became clear that it requires a much broader response.

The work revealed two main challenges families face to achieve or maintain financial stability: the high cost of childcare, and the mismatch between the type of jobs available in our region and the skills of our current workforce. Add to this the other areas where intervention is not strong enough, resulting in multi-generational poverty.

Breaking the Cycle encompasses four needs: Affordable, quality childcare; educational supports for youth; life and job skills training for youth and young adults; and financial literacy.

A fifth item, funding to fight food insecurity, is a focus of the United Way Basic Needs grant cycle in Benton County beginning in 2015. We continue to amplify the work of our partners providing direct support to individuals (short-term) while simultaneously pushing “upstream” to enact change for entire populations (long-term).

Once a family’s basic needs are met (via social service agencies or otherwise), the opportunity exists to create the cycle of family stability. Families with their basic needs met can use other supports to increase their financial self-sufficiency and positively influence decisions they make about education and health.

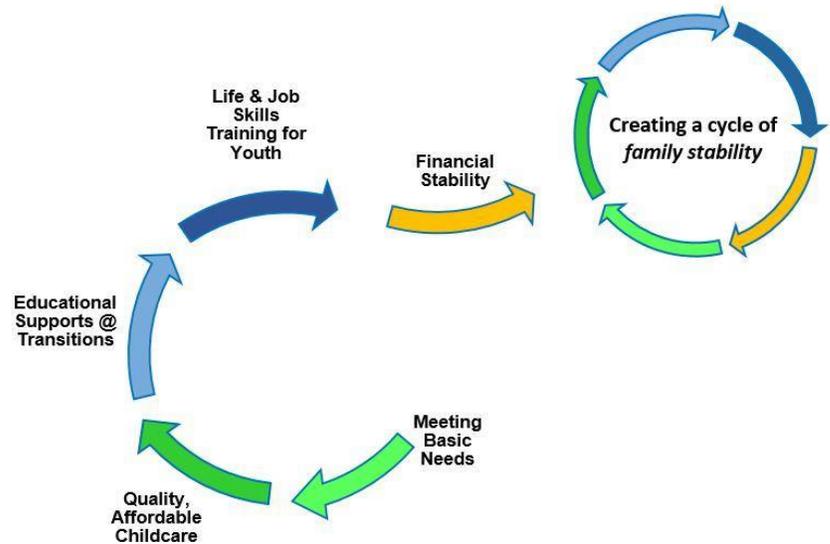
Parents with access to **affordable, quality childcare** have children who attend school ready to learn: they are properly fed; they have a safe place to sleep; and, they can build on a strong foundation of early socializing and learning.

When children are able to learn and have the educational supports they need through the tough **transitional years**, they have an enhanced ability for success in school and in life. The critical periods are the transitions from elementary to middle school, and from middle to high school. Equally important is secondary education or training central to the long-term financial stability of young adults beginning families. A high school diploma, although critical to future success, is not enough.

Teenagers and young adults need life and job skills training so they are ready to be successful members of society. By properly supplementing their high school education, they become self-sufficient, are competitive in the workforce or in higher education, and can also meet their basic needs. They create increased opportunities for their success, are better employees, and can build stable lives for themselves and their future families.

This breaks the **poverty cycle** and substitutes one of stability, success and achievement.

Breaking the Cycle is a flexible framework. An individual or family is not restricted to entering the cycle at a certain point. Rather as a community, we will be able to meet people where they are and help them begin to establish a cycle of family stability from there.



Change Creates Opportunity

If nothing changes in our community, all indicators point to a depressing future where too many of our neighbors remain trapped in lives of need. However, our Vision Councils' conclusions point to a summit of what is possible for our community to achieve.

This view enables us all to step back and identify the root causes of challenges and problems social service agencies address on a daily basis. It provides an upward vision to guide our efforts.

This mirrors movement in the larger United Way system, where successful, growing United Ways are more engaged on a community-wide basis as a problem-solver, convener and mobilizer, not solely as a fundraiser and grantmaker.

Changing how we do business empowers United Way to engage in best practices that have helped other United Ways and their partners achieve remarkable success. Business conditions change in the philanthropic community, just as they do in the for-profit world, and adding the work of prevention matches funders' expectations as well.

That is what this transition is all about – building solutions for our community, as a community, to the benefit of all. A further result is a strengthened United Way; one that emerges as indispensably “on point” for widespread collaborative activity to attract the attention of larger funders interested in financing system-wide change.

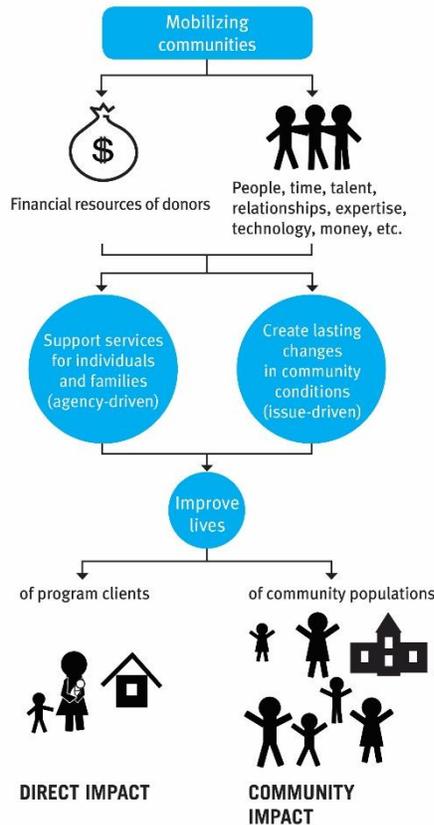
Making a Community Impact

The many community leaders who reviewed data, listened to stakeholders and crafted these solutions guided United Way to a broader vision of **resources**, one that goes well beyond money, to include

relationships, ideas, volunteers, expertise (United Way’s and others’), technology, ideas, vision, organizational coalitions and more. We approach community-level change with the adage, “begin with the end in mind.” The end United Way has in mind is called Community Impact.

If we are to succeed at our mission as well as our mandate, we must embrace the Community Impact model, and lead the way for the rest of our community to coalesce around opportunities for system-wide change.

Community Impact provides additional dimensions to the linear process of Donations + Grants = Direct Impact. Instead of mobilizing individuals to merely provide one resource (money) for Basic Needs, we now mobilize communities to provide a climate of opportunity for all, with results that are good for us all.



The larger mix of resources considered in Community Impact creates lasting changes in community conditions. Lives of individual program clients are improved in the old regime. This new model provides widespread change for entire community populations.

Measuring Our Success

The success of this initiative will be measured by many yardsticks. The United Way Vision Councils pored through many collections of data in preparing their recommendations.* They paint a picture of great stress and burden for a significant fraction of our community. They outline a need for continuing intervention, but show patterns that can be addressed with system-level prevention initiatives.

Financial stability:

- One in seven Oregon families live in poverty
- 17% of Lincoln County residents live in poverty

Financial stability *continued*:

- 33% of Lincoln County children live in poverty
- 22% of Benton County residents live in poverty
- 35% of Benton County mothers with children under 18 live in poverty
- One in six Benton County children live in poverty *
- Child care costs in aggregate account for 59% of the budget of a Benton County family earning minimum wage *
- Child care costs in aggregate account for 57% of the budget of a Lincoln County family earning minimum wage
- 67% of children in our service area are at risk of poor developmental outcomes, based on the definition of risk from the Oregon Department of Education
- Nearly half of children growing up in poverty remain impoverished as adults **
- Children of color are less likely than white children to perform at grade level and score lower in early math and early literacy assessments. As ethnic diversity continues to increase in all grades, as is expected, improving performance may become more challenging
- Oregon has the most unaffordable infant care and child care in the US
- The median annual price of Benton County childcare is \$11,940 per year
- The cost of child care in Benton County is 40-50% higher than in surrounding counties
- Toddler care takes 65% of the income of a minimum wage worker
- Benton County has only 24 child care slots for every 100 children
- Only 42% of children in families eligible for Oregon pre-K or Head Start programs can be served
- Child care costs in aggregate accounts for 59% of the budget of a family earning minimum wage
- 62% of renters and 33% of Benton County homeowners spend more than 30% of their income on housing
- Families earning minimum wage spend more than 30% on housing
- One in seven Oregonians aged 16-24 are out of school or out of work. This results in a direct fiscal burden of \$924 million and an overall social burden of \$2.5 billion

Education:

- One student drops out of high school every 26 seconds nationwide
- High school dropouts earn \$375,000 less per lifetime than high school graduates
- The idleness rate for all high school dropouts is 33%
- The idleness rate for high school dropouts living under the poverty level is 40%
- The idleness rate for high school graduates is 8%
- There were 62 dropouts in the 17J and 509J school districts in 2012-13. 50% of them were economically disadvantaged

Health:

- 43% of low income residents in Benton County have difficulty accessing healthy food
- 22% of Benton County children live in food insecure homes
- More than 12,000 Benton County residents live in food insecure households
- 36% of those are ineligible for assistance programs
- Only 42% of people eligible for SNAP benefits participate
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As we move through the first few years of Breaking the Cycle, specific baseline data developed through our research (i.e. poverty rates, graduation rates, hunger statistics) will be monitored, and new data sets will be developed in conjunction with our partners. These will be reported periodically to the community.

In Conclusion

Stable families build strong communities. Strong communities are full of people who are able to enjoy their rights, achieve their full potential, and participate as full and equal members of society.

When families have what they need to grow and thrive, they break the Cycle of Childhood Poverty, and we all benefit.

By engaging and aligning with the community's needs and vision, United Way will mobilize this transformational process in the years to come. Progress will not come overnight, but, as with all momentum, small, slow starts will pick up speed and energy over time.

It is a bold vision, but one that is essential for us to achieve. As a community, we can't afford not to.

Glossary of Terms

United Way **mission statement**: “To increase the organized capacity of people to care for one another”

Basic Needs: The most basic human needs, including food, shelter and health care.

Family Stability: Denotes a family’s ability to care for itself financially (including financial literacy as well as income), educationally, socially, emotionally and spiritually.

Vision Council: A United Way committee focusing on a core area such as Education, Income and Health.

Affordable, quality childcare: Child care services that provide a responsive, developmentally appropriate environment for young children, and which are financially accessible to people of all income levels.

Transitional Years: School transitions elementary and middle school, middle and high school, and between high school and beyond.

Poverty Cycle: A self-reinforcing social cycle that inhibits upward mobility.

Community Impact: Sometimes called “Collective Impact,” it is a process for population-level change. Community Impact involves multiple entities who agree upon a common agenda, shared methods of measurement, and stay true to their own missions while developing mutually reinforcing activities. Community Impact partners engage in consistent communication and have a strong common administrative backbone organization.

Prevention: Keeping problems from happening in the first place.

Intervention: Addressing people’s immediate, basic needs.

Mission: An organization’s stated goal or purpose.

Mandate: An expectation to act in a particular way, or for a particular purpose.

Resources: Inputs that support the United Way mission or mandate to improve lives and strengthen our community. These include but are not limited to connections, expertise, money, people, public policy positions, relationships, talent, technology, and time.

Request For Proposal (RFP): The process by which United Way will solicit projects to Break the Cycle of Childhood Poverty in Benton County. Applicants will be required to meet more detailed standards and do more detailed reporting than will applicants for Basic Needs funding.

* See United Way Vision Council reports for specific sources

** Source: http://www.nccp.org/publications/images/igp09_fig3.jpg