

‘Opt In for Kids!’

Pilot Project Evaluation

Developing local revenue to support youth

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The Brooklyn Bridge Alliance for Youth

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LIVE UNITED



Greater Twin Cities United Way

gtcuw.org



Background

In Minnesota there are limited state, county or local resources designated to ensure the healthy development of youth afterschool. What resources that do exist are scattered across various systems and are rarely coordinated nor directed to smaller cities.

Furthermore, for smaller cities such as Brooklyn Center and Brooklyn Park, accessing federal, state, and county resources can be challenging because the needs of our youth and families may not seem to be at the scope or scale to elicit funding.

The Brooklyns are committed to working creatively to support youth. The Brooklyn Bridge Alliance for Youth is a joint powers organization that supports positive youth development through the coordination and resource development needed by schools, cities, the county, and two community colleges to advance youth outcomes.

The Alliance uses data to inform our action and through a community-based research project, partners learned that in the summer of 2016, sixty-one percent (61%) of youth in the Brooklyns were not participating in summer programming. At the same time, the cities were growing a new way of busting barriers to participation through their Recreation on the Go programming, but resources are needed to build support, expand and enhance this program.

In partnership with the Cities and the United Way we piloted an innovative solution to funding challenges. Through our work with the National League of Cities we have learned about several national efforts to creatively fund positive youth development during afterschool and summer. Here are a few examples:

- Oakland and other major cities have implemented a “Youth Violence Prevention” tax used to support intervention and recreation programs for youth
- Baltimore and Philadelphia have recently implemented a “soda tax”, .25cents on each bottle of pop that directly funds Parks and Recreation programming and Community Schools
- The State of Missouri, Department of Economic Development implements the Youth Opportunity Program (YOP), which provides tax credits to individuals or private organizations administering positive youth development projects.
- The Federal Government provides a Child and Dependent Tax Credit of up to \$3,000 for one person, or \$6,000 for one or more people, to ensure that parents can work or attend school. A few qualifying expenses include nursery school, preschool, day camp, expenses for before- or after-school care of a child in kindergarten or a higher grade may be expenses for care.

Our central question; how can we develop local resources to support youth programming? There are limitations on taxation strategies in small cities – but are there other ways to generate revenue to support youth?

Local Solution

We saw an opportunity to take a different approach: by engaging residents to “opt in” on their quarterly utility bill (\$1, \$2, \$5 and \$10 amount). Initially we conceptualized a “Round Up Campaign,” but due to technology restraints we shifted to an “Opt In” campaign. Residents would ‘register’ for the program via their paper or online utility bill. To launch this new way of working the United Way provided a match grant for our first year up to \$5,000 dollars.

Our goal was to increase resources for afterschool and summer programs in the cities of Brooklyn Center, population 30,684 and Brooklyn Park, population 78,195 (2011-2015 American Community Survey 5-Year Estimates). This project would leverage the United Way brand, marketing resources, and grant making capacity, with the cities’ already existing customer relationship with residents who buy water and utility services. The cities will ask each customer to “Opt in for Kids” in their quarterly utility bill to build resources to support kids through recreation programming.

Program Design

- Pilot was launched April 1, 2016 - 1 year pilot implemented by the finance and utility billing staff of the two cities
- Project management and coordination provided by the Alliance
- Staff from the Cities, Alliance and United Way met quarterly
- Executive sponsors included the City Managers and had mayoral approval
- Targeted roughly 20,000 utility customers billed quarterly between the two cities
- United Way provided a small grant up to \$5,000 to match funds and address gaps in marketing resources needed
- United Way created high quality, clear messaging, through both the quarterly utility bills, and a citywide communications campaign to support this pilot
- Staff developed a process for residents to participate/register online or via paper utility bill (see Appendix 1 for process map)
- Campaign messages were included in city newsletters, utility bills, and local news
- Costs for the program included; staff time from utility billing to stuff mailers, track results, staff time to plug in marketing into existing city communications, costs related to printing flyers (one city was already printing flyers and was able to re-purpose a part of the flyer to market for the Opt In for Kids campaign)
- Results have been documented in this report and shared.

Evaluation Results

Overall results indicate that progress in developing revenue is incremental and requires a long-term marketing commitment to realize its potential.

Goals for year one:

- Increase resources for afterschool and summer programming

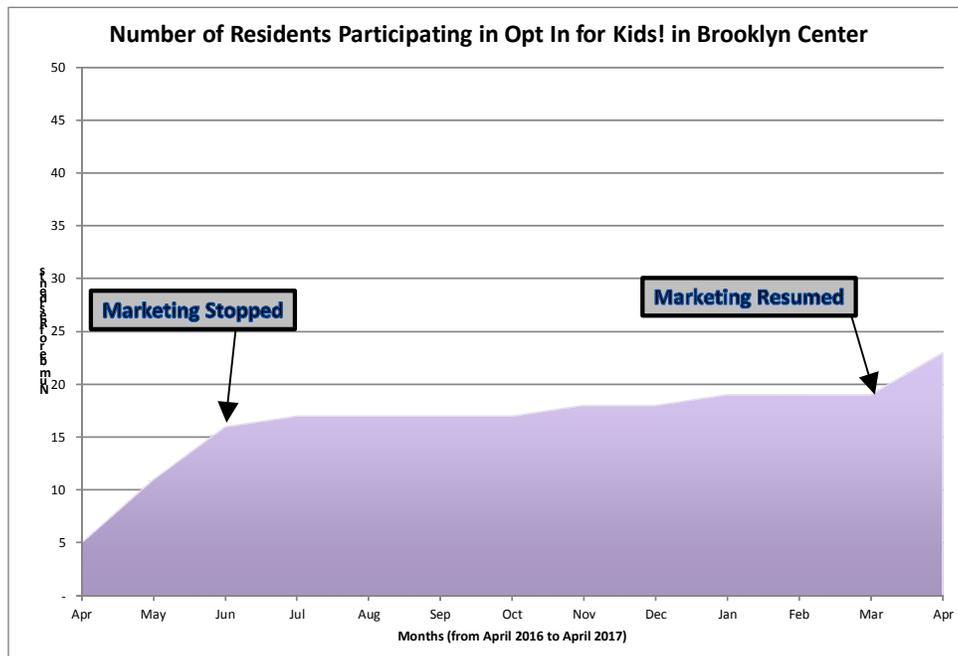
- There are roughly 25,000 utility bill customers between both cities. We hoped to just over 1% of residents (310) to participate
 - 90 from Brooklyn Center
 - 220 from Brooklyn Park
- Increase relationships between partners
- Increase the United Way presence in our community
- Increase the number of residents who give regularly

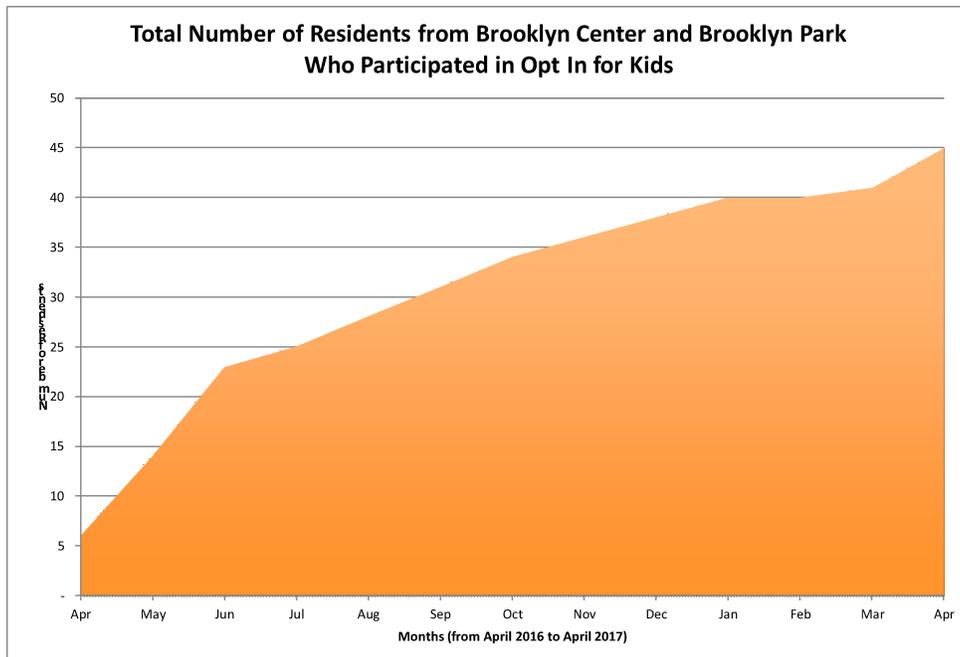
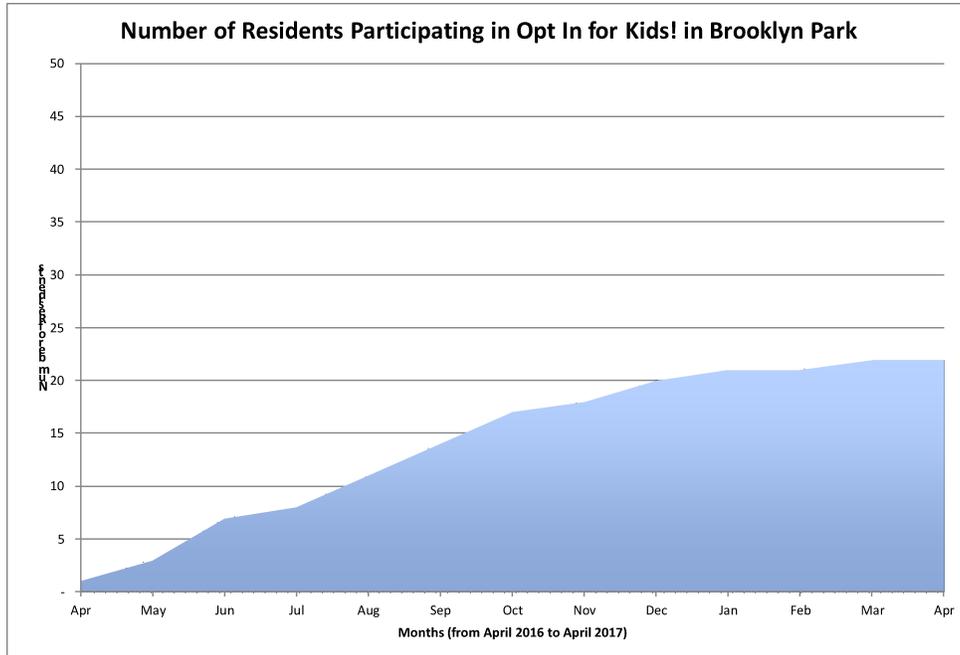
Overall results:

- ✓ There was an incremental increase in resources for programs. By the end of April 2017, a total amount of \$733 was collected
 - \$403 by Brooklyn Center
 - \$330 by Brooklyn Park
- ✓ There was only a subtle increase in United Way presence in our community
- ✓ This project did increase in relationships in new departments (e.g. finance, utility billing staff) between BBA, Cities and United Way
- ✓ There was an incremental increase in the number of residents who give regularly
- ✓ Since the beginning of the program on April 2016 until April 2017, there were a total of 45 residents from both cities who had opted in.

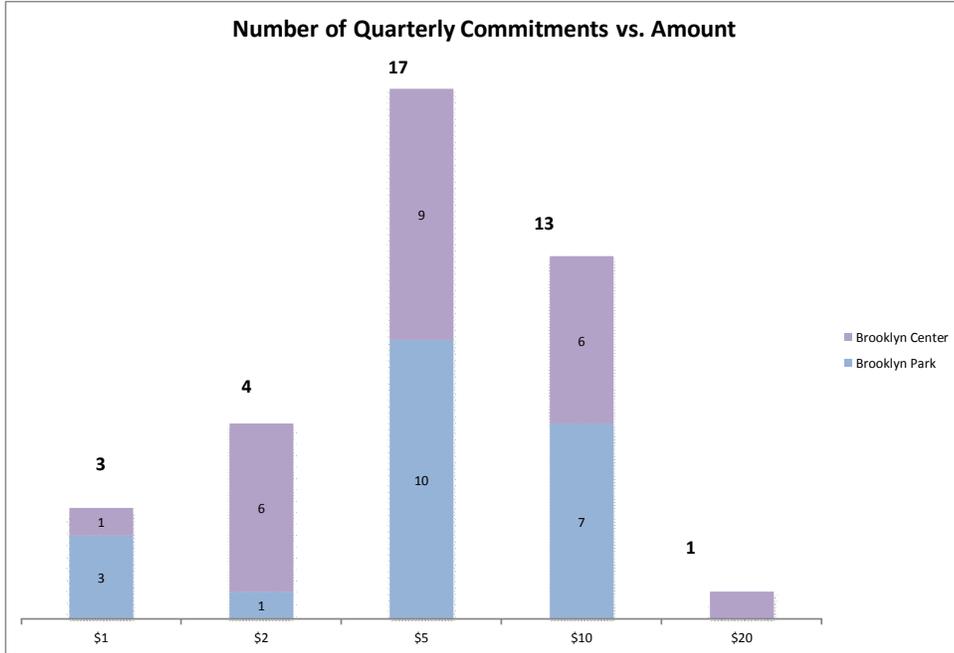
| City | # Participants |
|-----------------|----------------|
| Brooklyn Center | 23 |
| Brooklyn Park | 22 |
| Total | 45 |

The following charts detail the steady increase of residents opting in.

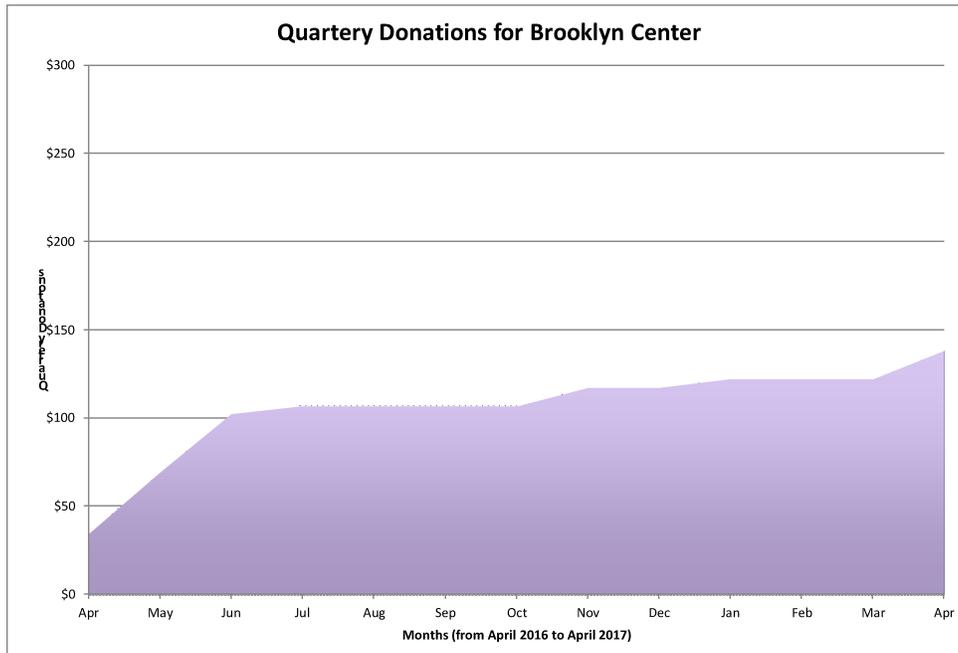


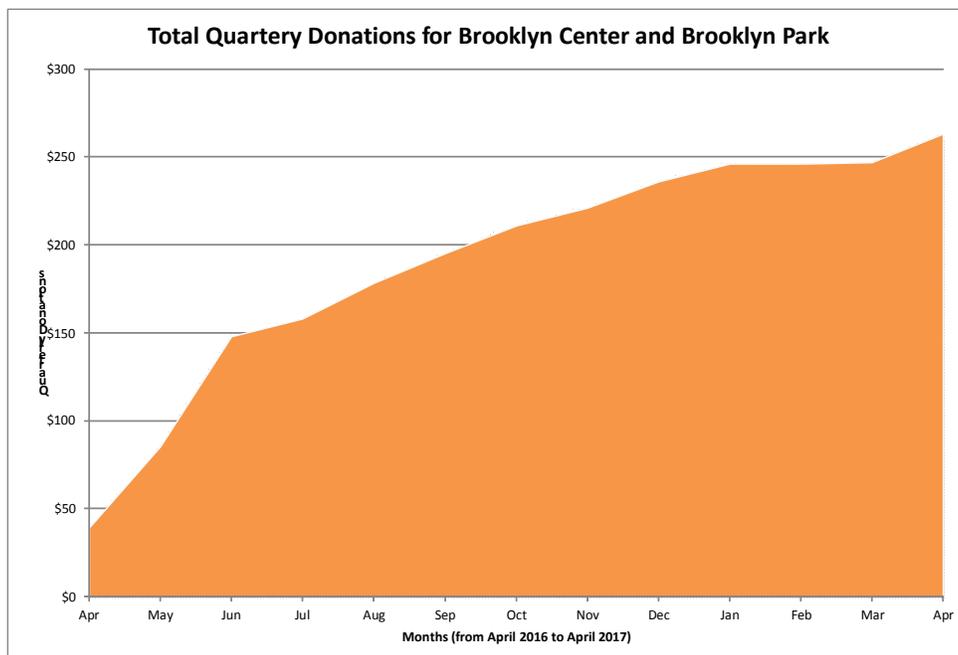
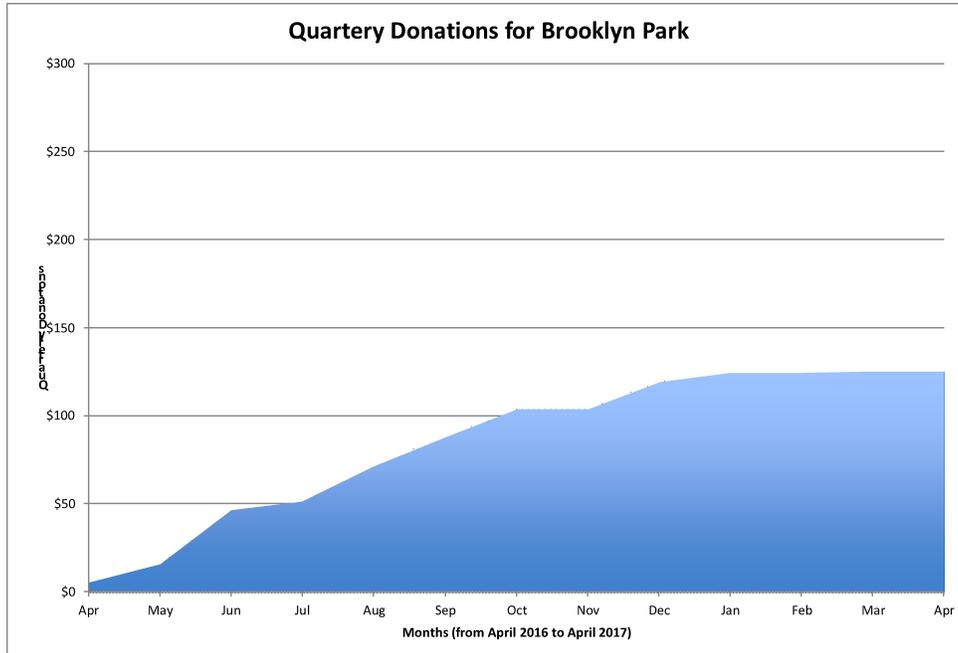


Residents were given the option of contributing \$1, \$2, \$5, \$10 or an amount of their choice. Of the 45 total participants, the majority of them committed \$5 or \$10 monthly payments. The following chart details the breakdown in amounts of commitments by city.



The payments for utilities are collected every quarter. At the end of April 2017, participants had committed to paying a total of \$263 per quarter (\$138 from Brooklyn Center and \$125 from Brooklyn Park). The following charts detail the amount of quarterly contributions throughout the year for each city and total.



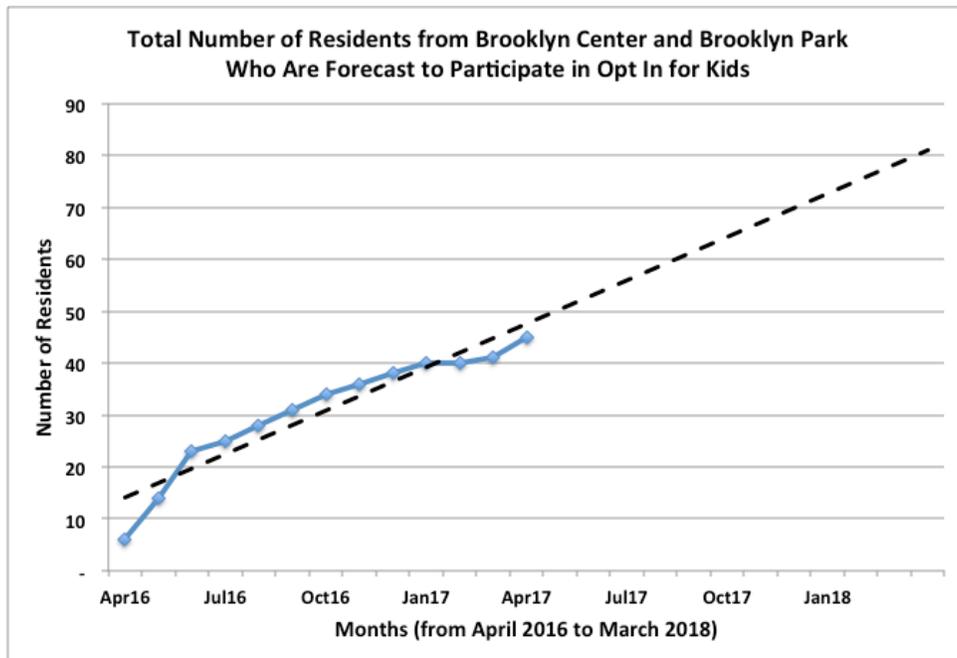


Brooklyn Center also received \$94.14 in one-time donations that were submitted along with utility payments. Brooklyn Park did not receive any one-time payments. By the end of April 2017, a total amount of \$733 was collected

- \$403 by Brooklyn Center
- \$330 by Brooklyn Park

Forecast for ‘Opt in for Kids!’

We gathered data from this past year to extrapolate what the expected growth may be if continuing with current efforts.



Lessons Learned

Find a highly visible and impactful program to put resources toward

Initially we had intended a larger amount of funds that would require a grant making team that would include youth and adults. In the first quarter we saw that funds came in at a trickle, rather than a deluge. We also felt that it was less motivating to promote ‘afterschool’ programs in general. That having a specific and highly visible program that residents could get excited about motivated participation. With these data, we moved from a general campaign to support afterschool programs to a specific campaign to support Rec On the Go!.

Be in it for the long haul

The data show that initial costs far outweigh revenue. In our initial research we learned from another city (Belle Plaine, MN), that they have yet to operate this program at a surplus, but that there is a political benefit and general interest in creating ways for the community to show their support for youth. However, there is a slow but steady rate of participation when the program is marketed. It is unknown at what point the participation would plateau, but data suggests that ongoing promotion does increase participation and

revenue gained. At this time, the cities will stay in it for the long haul to see just how far this program can go.

It's easy if you already have the basic infrastructure

Throughout this pilot the cities met regularly to test ways of implementing and setting up the processes needed to operate. Two basic infrastructure pieces that makes this easy are 1) An already existing insert in the utility bill, so that there are no new costs, but rather 'opportunity costs' of what does not get promoted. Secondly, once the process for utility billing staff is created, IT staff set up the online billing option, and existing communications tools include this program (e.g. Quarterly citywide newsletter, City website) these are all very easy to sustain.

It's all about marketing

Aside from the staff time from the city staff to set up the program, most of the costs are associated with marketing. For Brooklyn Center, printing costs for flyers were approximately \$2200 annually. The United Way approved this to be covered by the matching grant to reduce the burden for developing this concept. Other marketing was done by both cities through press releases, ads in the city newsletters, utility bills, or park and recreation brochures, TV ads on Channel 16, and social media (Twitter and Facebook).

Getting residents to sign up for the program will be mostly dependent on making sure they know about it and understand where their contributions will go. Brooklyn Center sent out flyers for the first several months of the program (April 2016 to June 2016) and then stopped. The number of residents opting in to the program leveled out until marketing was resumed in March of 2017, at which point more residents signed up again. Data from the City of Brooklyn Center shows that this increase in number of residents opting in continued through May 2017, when 7 new residents signed up for an additional amount of \$59 pledged quarterly. The continual marketing through flyers appears to make a significant difference in increasing the number of residents opting in.

Miscellaneous

Apartment renters don't receive utility bills, so there currently is no mechanism for them to sign up. Knowing what motivated participants to sign up (and why other residents chose not to participate) would help us better market the program. From the community's perspective, the presence of the United Way was subtle.

Conclusions

Overall, the first year of the Opt-In campaign was very instructive in understanding how to launch a fundraising program. As the extrapolated data estimate there is real potential in this type of effort. We are left with the following questions:

- What would have happened had we had a more elaborate marketing campaign?
- At what point do the costs outweigh the benefits?
- Are there benefits that are not directly about fundraising?

We know that new resources were raised to support the expansion of Rec On the Go programming. Although we did not meet our goals for participants, residents of both cities have stepped forward to participate both in providing one-time and quarterly contributions.

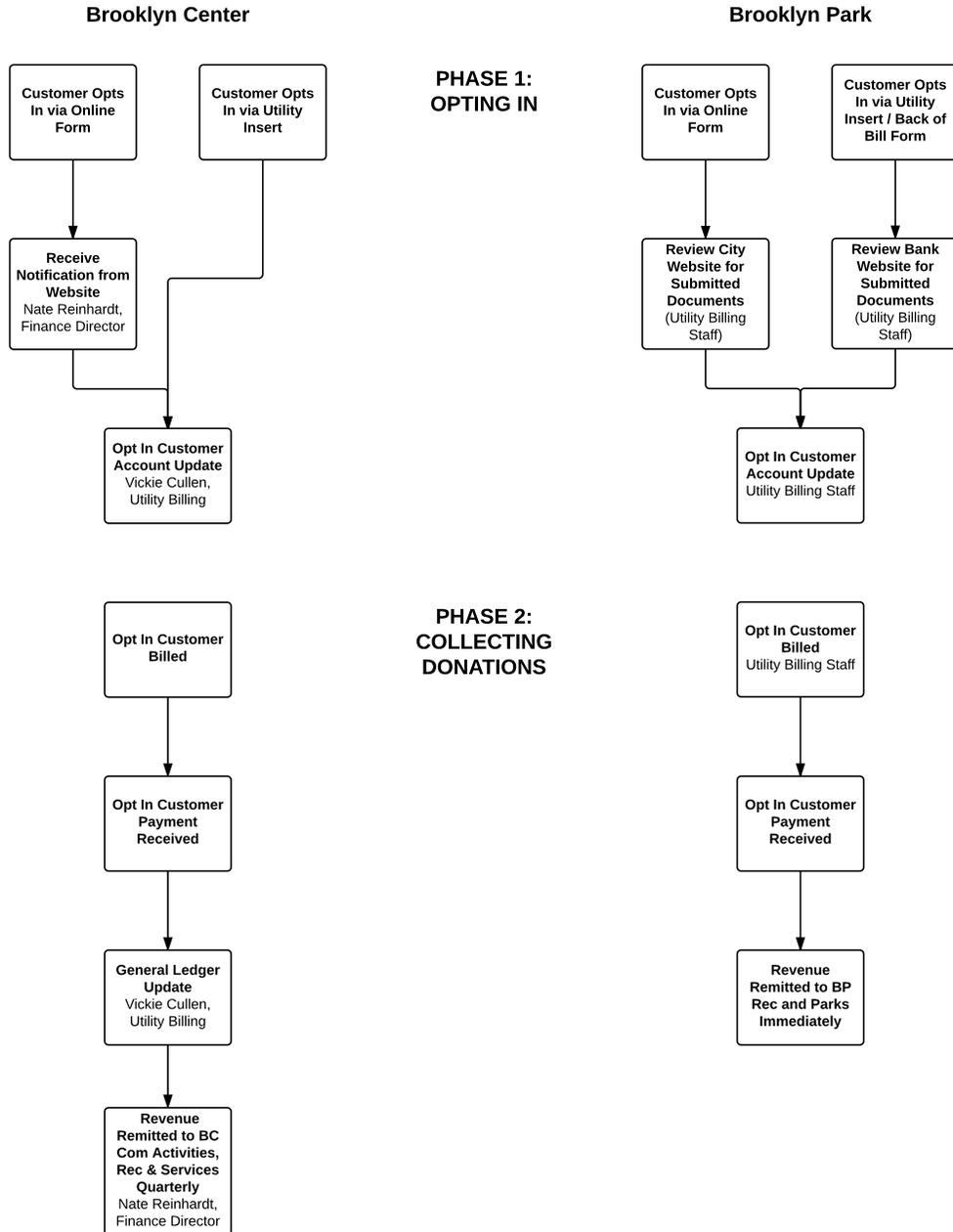
Cities have now set up a manageable, low cost process to implement such a program and could use this for other point of sale opportunities in the future. The partnership between the Alliance, the cities of Brooklyn Center and Brooklyn Park, and the United Way was instrumental in implementing this program.

For Brooklyn Center, given the costs associated with the effort, continuing the effort is likely to be cost prohibitive.

For Brooklyn Park, they will continue with initiative with an emphasis on supporting the Rec On the Go! Program and with additional marketing efforts for another year to determine if there is ample return on investment.

Appendix 1 – Program Process Map

OPT IN PROCESS MAP



Updated 5/18/17