



Baltimore City Youth Fund (BCYF) Report to Mayor and City Council September/October 2019

This report covers activities conducted in September 2019 and October 2019 for the Baltimore City Youth Fund (BCYF).

Grantee Update

The contract period for the pilot year of the BCYF culminated August 31, with the final grantee report due September 30. The majority of grantees, 50, concluded their program activities. The remaining 33 grantees were granted no-cost extensions through October 31, 2019, with the final report due no later than November 15, 2019. ABC/BCYF is scheduled to complete review of the quarterly reports by the end of the year and then will conduct a final compliance review of each grantee's activities, including making a determination whether the grantee has funds that must be returned to the City. As of October 31, there were still nine (9) grantees working toward compliance for their Quarter 1 and/or Quarter 2 finance reports, and therefore had not received a final disbursement, despite being offered support. Six (6) of these organizations are fiscally sponsored.

One of the most time-consuming processes has been the financial review of the grantees' expenditures. This is due in part because of some of the grantees' lack of knowledge and exposure to this detailed level of reporting. In fact, even some of the larger grantees who are used to funding from traditional philanthropic organizations have found ABC's process to be overwhelming.

We require back up documentation – cancelled checks, receipts, etc. for the expenditures. This is not a normal requirement for private foundation funding but is a requirement, based on ABC's experience for public dollars. In many instances, the grantees' submission may include up to 30 to 40 pages of materials which must be reviewed and, in many cases, returned to the grantee for follow up. (ABC hired temporary, additional financial expertise in an effort to get through all of the expense sheets; this is an ongoing process given the volume).

Grantees reported multiple successes, including some unexpected surprises, during this reporting period, including:

- The African Diaspora Alliance's *Youth of the Diaspora*, which chronicles a BCYF-funded trip to Havana, was selected for the Baltimore Black Film Festival in October.
- KaBoom! was featured in The Baltimore Sun in October for a story about racial equity in play, with playgrounds built with BCYF funds mentioned.

- The Ryan Institute was invited to have students perform at the grand re-opening of the Enoch Pratt Central Library in September.
- Free for All Baltimore was able to run programming at the formerly closed North Harford rec site three afternoons each week this past quarter, after multiple attempts to get the center reopened.
- Maryland Book Bank distributed an average of 240 books weekly to youth over the summer, aimed at decreasing summer learning loss.
- Multiple programs introduced youth to new experiences in the last quarter, including traveling to Ghana and Sweden, sailing on the harbor and learning about evidence collection from a forensic scientist.
- Several programs also equipped students with back-to-school supplies and backpacks for the 2019-2020 school year.

Year 2 Awards

As noted in the August 2019 report, BCYF intends to award continuation grants to Year 1 grantees barring those deemed to be non-compliant. This decision was made in consultation with ABC and its Board of Directors and shared with the City. In Year 1, there were delays of 90 days or more in the timing of first disbursements for the majority of grantees due in large part to the time required to achieve contractual compliance (i.e. insurance coverage, background checks, and fiscal sponsorship arrangements). Disbursement delays for the balance of grant funds were related to two challenges: the City audit drawing the team's attention away from the day-to-day operation of the Fund; and grantees' challenges meeting generally accepted accounting practices (GAAP) for expense reports. Offering one-year continuation grants would afford grantees the opportunity to demonstrate the impact of their work under more optimal conditions, provide BCYF time to learn from the performance and results of its first piloted portfolio and address the demand to release additional grant funds.

BCYF informed grantees about the continuation grants opportunity throughout September and October, including sharing eligibility, application and compliance requirements. Grantees will need to complete an application, remain within the scope of work approved for Year 1, and may not receive more than the grant award they received in Year 1. Some grantees may receive a smaller award based on their scale of programming and/or capacity to manage funds. Continuation grants are contingent upon the grantee's compliance with Year 1 and ability to meet application requirements for Year 2, as well as the Fund's ability to award and administer the grants.

Technical Assistance (TA) Update

The TA team's support to grantees over the past two months has been focused on completing their final report and preparing for continuation grants. Grantees are required to work their TA provider to self-assess their Year 1 performance and lessons learned in the following areas: project partners, activities, timeline, staffing, budget, youth outreach recruitment and retention, and performance measures. Grantees' Year 1 performance should inform their application for a continuation grant, including whether to seek the same amount of funding or less, or not to apply at all. The TA team will support the grantees with completing the continuation grant application beginning later this year.

Permanent Intermediary

The MOU between the City and ABC requires a permanent entity to be established, per the recommendation of the BCYF Task Force. BCYF filed Articles of Incorporation as a Maryland non-stock corporation in August to serve as a placeholder until IRS approval of a 501c3 designation. BCYF intends to convene an inaugural/interim Board of Directors in November 2019. The board will be charged with establishing the leadership of the organization and carrying out start-up requirements for the new organization. The interim board in addition to the City legislation would establish the long-term governance structure and policy of BCYF and, in time, launch a more publicly held, participatory process for the recruitment and selection of the BCYF's long-term Board of Directors.

The draft legislation is being developed by legislative affairs and should be introduced to City Council in late November.