Sources, Use, and Adequacy of Funding for Five Afterschool Programs

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Key Findings

Afterschool programs receive funding from multiple sources to provide services.

In-kind support from school districts and volunteers was often crucial to support program operations.

Program administrators reported spending considerable time fundraising and being anxious about maintaining funding levels.

Staff describe their funding as adequate to provide current programming, but all noted a need for additional funding to expand to better meet the needs of school-aged children and improve staff training.

Background

According to national survey data from 2020,[1] 7.8 million children participated in afterschool programs which included 20 percent of all elementary-age children. Another 24.6 million children would participate if one was available. The same data show there are fewer affordable afterschool programs in low-income compared to higher income communities. Several federal programs support children and families in afterschool programs. For example, funding from the Child Care and Development Fund (CCDF) serves over 513,000 school-aged children each month, representing 39 percent of the total CCDF subsidy spending.[i] States, local communities, corporations, and private

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[i] Estimates were developed from FY 2017 CCDF administrative data.

foundations also contribute significantly to offset the cost for families. However, many parents are still unable to afford to send their children to afterschool programs.

At the same time, many programs struggle to keep operations going to serve the children who currently participate. Inadequate funding; time spent applying for funding; low wages for program staff; and challenges in serving children with multiple social-emotional, behavioral, and physical health needs influence program quality and staff stress.[2]

This brief summarizes findings on the sources, use, and adequacy of program funding from interviews with five afterschool program administrators and frontline staff. The five programs represent diverse geographic regions, program settings, and populations. For an overview of the study, see the related brief entitled *"Providing an Essential Service: An Overview of Afterschool Program Support of Children's Social-Emotional, Behavioral, and Physical Health During Middle Childhood."*

Funding Sources

Funding for afterschool programs is often blended and braided from multiple sources, including tuition fees, federal, state, local, and private.[3] [4] On average, parents pay $113 per week for afterschool care.[5] Additional afterschool sources include a mix of federal, state, or private funding from programs such as—

- Child Care and Development Fund (CCDF)
- 21st Century Community Learning Centers (21st CCLC)
- Temporary Assistance for Needy Families (TANF)
- Federal Food and Nutrition Programs
- Title I and Title IV-A of Every Student Succeeds Act (ESSA)
- AmeriCorps and AmeriCorps VISTA
- Community development funds (Promise Neighborhoods, Community Development Block Grants (CCDBG)
- Juvenile justice/delinquency prevention
- Museums, parks, and libraries

The five program directors had difficulty identifying their specific funding sources. Similar findings have been reported in other studies[6] due to the fact that federal funding is often blended and/or braided together with state and local funding before it is allocated. A report by the Wallace Foundation[7] based on information from 111 programs around the country found on average public

funding (federal/state/local) accounts for 32 percent of program budgets, private funding 39 percent, parent tuition fees 9 percent, and in-kind contributions another 19 percent.

Consistent with prior findings, the five programs reported multiple funding sources as reported below.

- *Government funding.* All of the programs receive funding from a variety of federal, state, and local government agencies. Federal funding is provided by the Department of Health and Human Services (CCDF) to all five programs and the Department of Education (21st CCLC) to three. In addition to federal funds, all five also receive state or local funds to help cover operational costs. For example, one program reported state funding accounted for about half of funding received outside of tuition fees.

- *Childcare subsidies.* All five programs accept childcare subsidies (required per selection criteria for the study). This is not typical across the field but is more common among programs serving low income families. Funding from the Department of Health and Human Services includes block grants to states administered either through grants or contracts from the state to childcare providers or through subsidies to providers for eligible, low-income families who are working or going to school and may apply through their local child care agencies.

"Our typical open-doors policy is that we don't want to turn anyone away due to an inability to pay for the program. And that can range from a 15 percent discount and sometimes up to a 50 percent discount depending on the individual needs. Sometimes the principal or school social worker will reach out to us. They've got a family identified that is recently homeless, or something like that, and those we take on an individual basis and work with those families to give them the support that they need to get back on their feet."

"When a lot of times our private families need a voucher, but they don't qualify because they make too much money, however they're not making that much to be able to pay a full private rate, we offer them … at least the voucher reimbursement rate."

- *Parent fees.* All programs collect fees from families on a sliding scale depending on their financial need. This ranges from some families paying nothing (i.e., a childcare subsidy without a copayment) to others paying full tuition (without a childcare subsidy) or who may not have a childcare subsidy but are still offered a discounted rate on the sliding scale to enable them to afford care.

- *Private funding.* All five programs receive private funding from foundations, nonprofit organizations, corporate giving, individual donors, or a combination. Programs noted they primarily receive grant funding for a specific activity or added element rather than routine operations.

"We have some funders that like to specifically fund STEM, or food, those types of things. Once we identify the areas that we want to change, improve, add, then we start researching what companies are interested in supporting those things. We're kind of always working to put oftentimes several funders together to cover... someone might cover visual arts, and then you have your STEM, and that sort of thing."

Partnerships and In-kind Contributions

Programs benefit from agreements with local partners and from the efforts of volunteers. Three programs partnered with local school districts to support mutually beneficial goals. For example, at one program the contracted school counselors and social workers who staffed the school during the day were able to offer extended hours as needed during afterschool program time. For children with behavioral health needs and upon request, staff reported these clinicians were able to conduct observations, offer consultation to afterschool staff, and assist and coach children by modelling interactions. Some partnerships share funds but more commonly include in-kind support from schools through the use of physical space or shared activities, such as tutoring, sports, or clubs.

Four programs reported that volunteers—from churches or other local organizations—provide tutoring, fitness instruction, or other special activities that would otherwise be unavailable.

"We try to hire tutors from the school because they can work with the resource teachers and get the academic information needed to identify what the students need."

"We also liked the idea of one, kind of leveraging shared assets in a shared economy. We would be using their real estate to kind of run the programming, and then we would offer them additional budgetary funds [using state vouchers] to go

into their school and provide additional services that they needed. So it really was a win-win for everybody."

Funding Adequacy and Consistency

Most staff described funding as adequate to support current program operations. However, all programs reported some anxiety about maintaining consistent funding. As noted, they rely on multiple sources, resulting in shorter-term, unreliable, and inconsistent funding. Administrators from the five programs talked about spending considerable time applying for grants, the uncertainty of staffing due to short-term funding, and the desire for more stable funding which would allow for the development of programs designed to meet the needs of children including those focusing on social-emotional, behavioral, and physical health. In support of these ongoing efforts, four of the five operate under a parent organization that provides support and oversight for fundraising and grant writing.

A funding source common to all of the programs was the CCDF, and staff noted challenges associated with parents applying for CCDF vouchers. Families frequently experience challenges in determining eligibility for subsidies, navigating the required applications, and understanding the need to sometimes reapply each year. Programs often support parents in completing and submitting applications.

"I would say that we work diligently with families to access voucher funds because there's quite a few people that still don't understand how to do that. And so we actually sit with them and walk them through how to access funds."

Need for Additional Resources

All of the programs expressed a desire for additional resources. Staff talked about the desire to enhance their current program offerings to better serve children and families, especially children with multiple challenges, and hire and train additional skilled staff.

"I always have the concern that, you know, our funding will reboot. Some funders don't like to fund over strings of years, so I've tried to isolate those that really want to be regular funders."

"Oh, huge anxiety. Not for the operation staff as much. But for every programmer, you know, it's sort of a race to implement something before you get to the bottom of the bucket. You want to be able to leave something that can be sustained."

Some programs planned to use additional funding to add new programs or services. These ranged from dance classes to STEM activities to leadership programs. Staff talked about the desire to expand operationally, such as providing transportation to bus students into the community or purchase additional materials and supplies.

Other programs were interested in allocating additional funding towards staffing. Hiring additional staff would lower student to staff ratios, provide skilled support for children with challenges in multiple areas, increase staff compensation, and offer additional professional development and training opportunities.

"With quality, you need to pay your staff higher pay. You need to be able to bring in additional materials and supplies and it's really hard to kind of stretch already a small amount across all the board."

"I would love to be able to offer additional development for staff and bring in additional resources for the program like additional programming, you know, I love what we are able to do but there's so much more that we could be doing for these children that I would love if we had that funding to be able to offer additional resources to them."

Some program staff discussed the need to better serve children who face multiple challenges in the areas of social-emotional, behavioral, and physical development.

"A lot of our students are struggling with emotional…social and emotional behaviors that we aren't completely equipped for. When I say that, it's because

we're bringing in staff. They don't have special education backgrounds necessarily and things of that nature, right? So if we had more funding, we could hire additional people to support strictly in those kind of areas and things of that nature."

Program Successes and Opportunities for Improvement

Obtaining sufficient and stable funding is one of the most challenging aspects of operations. Programs blend and braid funding from various sources and typically do not have stable long-term funding. Federal and state funding, comprising between a third to a half of operation revenues, was crucial for all of the programs but not sufficient on its own. Partnerships, with school and other local organizations, were also critical. Staff described program funding as adequate, but programs were generally not well-resourced and staff pay was low. Year-to-year grants required significant staff involvement and resulted in high anxiety about continued funding.

Implications for Policy and Practice

Additional funding is needed to enhance current program offerings to better meet the needs of children and families, to expand services to meet the demand for afterschool care, and to hire and train well-qualified staff. Programs could benefit significantly from—

- Additional funding and funding sources to take advantage of the opportunity for programs to help children learn social-emotional skills, better manage behavior, and acquire healthy lifestyle choices
- Additional partnership agreements that would provide more stability for specific activities and supplement funding
- Resources to hire additional staff, increase their pay, and better prepare them to support the development of children's social-emotional, behavioral, and physical health

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