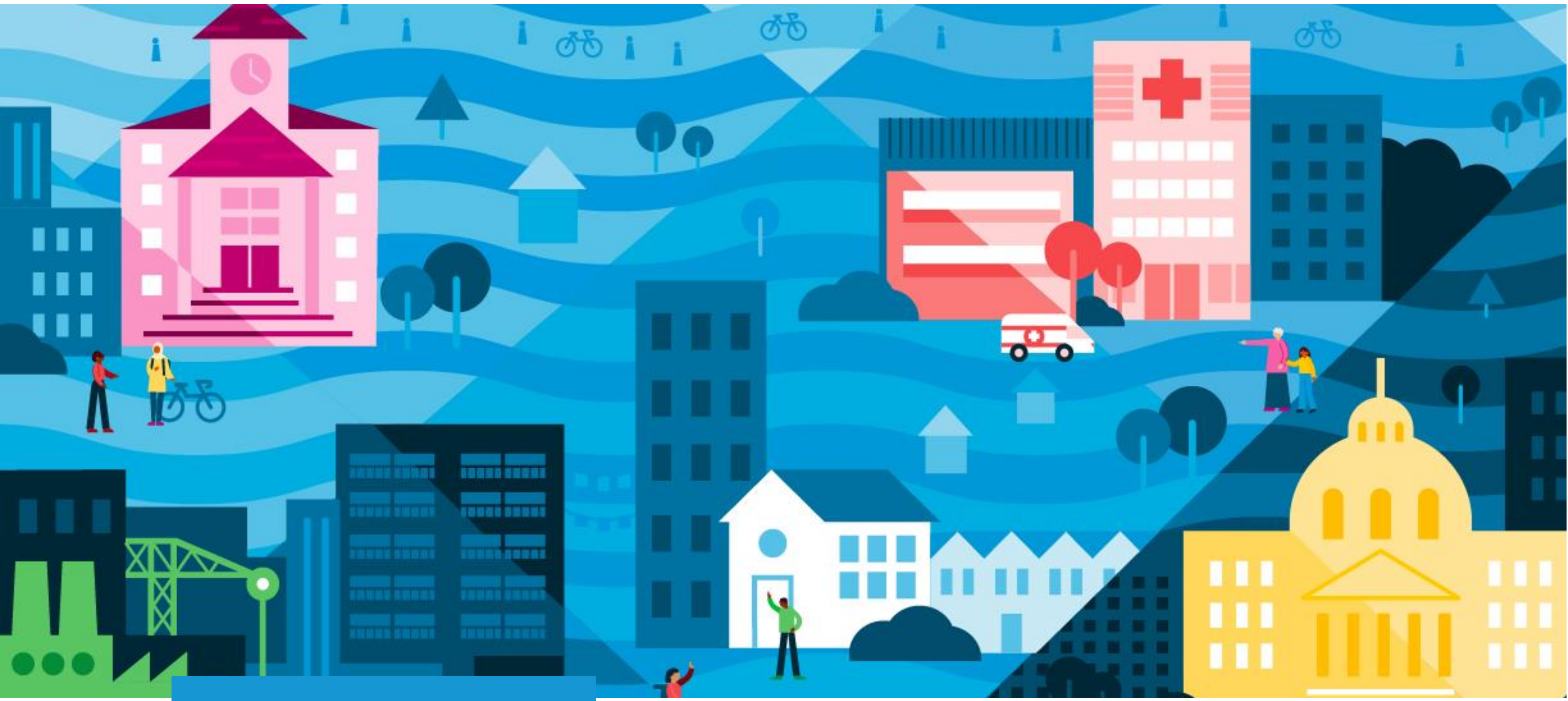

Upward Mobility Initiative

TECHNICAL ASSISTANCE TOOLKIT

Policy Change Toolkit for Community Foundations

A Guide for Community Foundations Focused on Upward Mobility and Equity

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URBAN INSTITUTE

ABOUT THE URBAN INSTITUTE

The Urban Institute is a nonprofit research organization that provides data and evidence to help advance upward mobility and equity. We are a trusted source for changemakers who seek to strengthen decisionmaking, create inclusive economic growth, and improve the well-being of families and communities. For more than 50 years, Urban has delivered facts that inspire solutions—and this remains our charge today.

ABOUT THE UPWARD MOBILITY INITIATIVE

Communities across the country want to help residents exit poverty, achieve economic success, and live in a more equitable society. Many local leaders are committed to the hard work of dismantling barriers and building systems that advance upward mobility and racial equity, but they often lack the information they need to reach those goals and understand if their efforts are working.

The Urban Institute's Upward Mobility Initiative helps communities fill the gaps. Through our Upward Mobility Framework, we show communities how to define and measure upward mobility. The framework includes a three-part definition of upward mobility, a focus on racial equity, five pillars of support people need from their communities to achieve mobility, and 24 predictors that measure the strength of these pillars in a community and can be influenced to help more people achieve social and economic mobility.

We also provide local data for cities and counties across the US, planning resources, and training and technical assistance to help communities apply the framework to their local contexts, establish priorities, mobilize action, and assess progress. Together with the framework, these resources support the initiative's mission to help communities advance upward mobility and racial equity, especially for residents excluded from prosperity.

Learn more about the initiative at upward-mobility.urban.org.

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This toolkit is the result of a collaborative learning initiative between the Urban Institute and the Community Foundation Opportunity Network's aligned action network, known as the Nexus for Equity + Opportunity Nationwide (NEON). NEON is a coalition of community foundations spanning the United States, allied in their commitment to eradicating structural and systemic racism while fostering equity in social and economic mobility within their respective communities. Launched in January 2021, the inaugural NEON cohort's mission was informed by research and discoveries of the US Partnership on Mobility from Poverty.

In early 2023, the Community Foundation Opportunity Network leadership approached the Urban Institute's Upward Mobility Initiative team to provide training and technical assistance for their NEON Policy Working Group members to help them harness policy change as a tool to boost upward mobility, dismantle structural and systemic racism, and achieve equity. The goal was to support the NEON community foundations in (1) developing a shared understanding of policy change and (2) creating a policy change road map that depicts the changes each foundation is working toward locally. For this work, the technical assistance leads Tina Chelidze, Martha Fedorowicz, and Lizzy Ferrara adapted the Urban Institute's Policy and Systems Change Compass (developed by Corianne Payton Scally, Joseph Schilling, Martha Fedorowicz, and Annie Heinrichs at the Urban Institute; and Lourdes Aceves and Sarah Weller Pegna at the National League of Cities), which was used to help city governments pursue strategic policy solutions to complex problems, and the Upward Mobility Initiative's Planning Guide for Local Action. Over the course of nine months, Urban provided technical assistance to six of the seven NEON cohort members. This toolkit is the result of that work and guides community foundations through the process of identifying and supporting impactful policy efforts that have the potential to boost upward mobility and reduce racial inequities. It also captures learnings and best practices for advocating for policy change and draws on guidance and exercises from the Upward Mobility Initiative.

We extend our profound gratitude to all our partners, including NEON leadership Amy Daly-Donovan, Terry Mazany, and Tom Kelly, and specific foundations—the Indianapolis Foundation, the Cleveland Foundation, the Connecticut Urban Opportunity Collaborative, the Hawaii Community Foundation, the Lincoln Community Foundation, the Seattle Foundation, and the Silicon Valley Foundation—whose invaluable contributions, insights, and grounding have significantly enriched this toolkit. Special thanks to Tom Kelly who drafted the text on evaluating success (step 5 of this toolkit), Laura Tomasko at the Urban Institute who reviewed the text on community foundation lobbying, and Terry Mazany and Amy Daly-Donovan at the Community Foundation Opportunity Network and Keith Fudge and Bill Pitkin at the Urban Institute for their careful review.

Finally, this toolkit would not have been possible without the foundational research conducted by members of the Boosting Upward Mobility from Poverty project and the US Partnership on Mobility from Poverty.

Executive Summary

Community foundations play a crucial role in promoting upward mobility through policy advocacy. Through their roles as funders, conveners, champions, and partners, these foundations participate in systemic change efforts that dismantle barriers preventing individuals and families from reaching their full potential and create conditions that foster economic success, power and autonomy, and dignity and belonging for all community members. Community foundations are also permanent institutions, rooted in place, that have the ability to sustain work beyond election cycles and a mission to support the surrounding community. However, they face several challenges in engaging in policy advocacy, including securing long-term funding, building and maintaining diverse partnerships, navigating local politics, and ensuring they have the capacity and expertise for effective policy advocacy and implementation.

The Urban Institute's Upward Mobility Initiative created a comprehensive overview toolkit to support community foundations looking to engage in policy advocacy. This action-oriented resource emerged from a community of practice involving community foundations active in this space, and it is structured around the following five-step model:

1. Prepare to engage in policy advocacy
2. Define the problem and identify a policy solution
3. Understand the policy environment
4. Draft a policy change agenda
5. Build a policy change campaign

This toolkit aims to provide readers with a step-by-step approach, from identifying policy data to writing a compelling rationale for action. Readers will have access to research, best practices, and worksheets, which they can complete regardless of their current stage in the policy change process. With this toolkit, Urban aims to better inform and empower community foundations—like the Community Foundation Opportunity Network members highlighted throughout the text—to confidently engage in policy advocacy work.

Introduction

As communities across the country are increasingly recognizing the scale of change needed to substantially boost mobility from poverty and equity, many organizations are taking on new roles in the local upward mobility ecosystem. For most people experiencing poverty in the United States today, opportunities to achieve greater mobility are blocked by long-standing structural barriers, not by lack of individual effort. Removing these barriers requires not only addressing the root causes of problems within a particular system but also working across systems to tackle intersecting and compounding issues. The Urban Institute's Upward Mobility Framework presents five interconnected pillars of support communities should create for families and individuals to achieve economic success, power and autonomy, and dignity and belonging. These five pillars are opportunity-rich and inclusive neighborhoods, high-quality education, rewarding work, healthy environment and access to good health care, and responsive and just governance.

After being long relegated to the role of nonprofit funders, community foundations, in particular, are striking out in new and meaningful ways to remove barriers to upward mobility and equity and to create lasting change within their local communities. They are well-positioned to engage in policy advocacy given their political independence, flexible resources, status as anchor institutions that are uniquely tied to place, ability to sustain work beyond election cycles, and local relationships.

For decades, many 501(c)(3) community foundations were hesitant to enter the policy space for fear of violating federal laws governing their tax-exempt status. However, a slew of recent resources from organizations such as BoardSource, the National Council of Nonprofits , the Council on Foundations, CFLeads, the National Committee for Responsive Philanthropy, the Alliance for Justice, and the Center for Effective Philanthropy have sought to clarify the role of community foundations and provide best practices and examples of the various ways they can and are engaging in the policy change process. As a result of these efforts—and the recognition of what it will take to meaningfully boost mobility from poverty and equity and create systemic change—many more community foundations are wading into the policy waters by setting public policy priorities, funding local policy change efforts, and convening local actors to collaboratively address upward mobility and racial equity challenges (see box 1).

BOX 1

Examples of Community Foundations' Public Policy Priorities and Principles

In recent years, many community foundations have published a set of public policy priorities and principles to guide their engagement in policy change. In 2020, the Council of Michigan Foundations published the "Building an Equitable Future Together" policy framework to prioritize its advocacy efforts in five domains: education, economic prosperity, health, civic engagement, and health of the sector.[a] In 2021, the Silicon Valley Community Foundation engaged in four key public policy areas: housing, early childhood development and education, immigration, and civic engagement.[b] In 2022, The Denver Foundation released a set of public policy principles that "drive the Foundation's engagement on policy proposals, including legislation, ordinances, regulations, ballot measures, and other policy proposals."[c] Similarly, in 2023, the Arizona Community Foundation, a statewide family of charitable funds, published a set of public policy priorities across several issue areas, including arts and culture, health innovations, quality education, and community improvement and development.[d]

[a] Council of Michigan Foundations, "Policy Framework," accessed August 20, 2024, https://www.michiganfoundations.org/policy/policy-overview/policy-priorities.

[b] Silicon Valley Community Foundation, "Core Impact Areas," accessed August 20, 2024, https://www.siliconvalleycf.org/impact/core-impact-areas.

[c] The Denver Foundation, "2022 Public Policy Principles," accessed August 20, 2024, https://denverfoundation.org/wp-content/uploads/2022/02/DenverFoundation_PublicPolicyPrinciples.pdf, 1.

[d] Arizona Community Foundation, "Public Policy Priorities 2024," accessed August 20, 2024, https://www.azfoundation.org/wp-content/uploads/ACF_PublicPolicyPriorities.pdf.

Who Is This Toolkit for?

This toolkit is intended for US community foundations interested in acting as a community leader in the upward mobility and racial equity policy space. According to CFLeads's *Community Leadership Field Guide for Community Foundations*, a community foundation acting as a community leader is "a community partner that creates a better future for all by pursuing the community's greatest opportunities and addressing the most critical challenges, inclusively uniting people, institutions and resources from throughout the community, and producing significant, widely shared and lasting results" (CFLeads 2021, 10).

Although this toolkit is primarily for community foundations, the insights and methodologies presented are valuable for a diverse range of actors, including other public foundations/funds, United Ways, backbone organizations, and other 501(c)(3) organizations advocating for similar policy changes.

How to Use This Toolkit

Engaging in policy change is seldom a straightforward journey. The model in this toolkit is structured as a five-step linear process, but it is designed to be flexible to local political context, community needs, momentum, and starting place. See the appendixes for additional resources, including worksheets and illustrative examples.

This toolkit is for informational purposes only and does not constitute legal advice. It should not be regarded as a substitute for professional legal counsel. The guidance contained herein is not intended to address specific legal situations and may not be sufficient to avoid legal penalties. For advice tailored to specific circumstances, please consult a qualified attorney or legal professional.

The work within the policy cohort with the Urban Institute allowed us to expand our existing work around system change through policy strategies. A fundamental mind shift was moving from policy being "work we do" to policy being "a strategy for the work we do." And the collective discussions held among NEON members helped to focus the internal team and external community involvement in our strategy planning. When combined with the "policy ladder" concept, we could more clearly see where our work fell, relative to the desired and sometimes idealistic goals and the work of partners within our community.

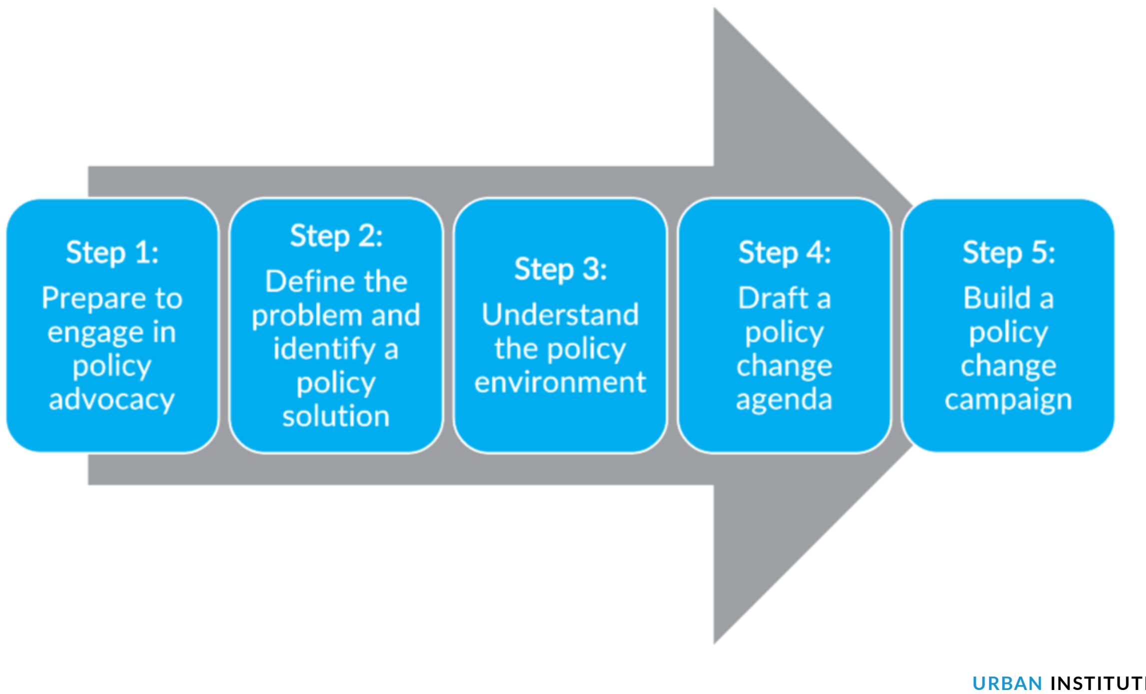
—Todd Apo, former Vice President, Community Partnerships & Public Affairs, Hawai'i Community Foundation

Model for Policy Change

The five-step model for policy change was developed in partnership with NEON Policy Working Group, a community of practice dedicated to supporting policy change to dismantle structural and systemic racism and achieve equity in social and economic mobility in their communities (figure 1). In step 1, you will assess your foundation's policy change capacities and priorities, as well as establish a decisionmaking process for evaluating opportunities to engage in policy advocacy. In step 2, you will clearly define the problem you are working to address and begin to identify the policy solutions available. In step 3, you will work to understand your local policy environment through ecosystem analysis and mapping. In step 4, you will draft a policy change agenda and an audience-tailored rationale for action. Finally, in step 5, you will develop a detailed policy change campaign that lays out the tactical steps needed to get your selected policy enacted.

FIGURE 1

Five-Step Policy Change Model for Community Foundations



Source: Created by authors.

Where to Start

Use the Policy Advocacy Engagement Checklist in box 2 to identify where you should start. This checklist serves as a guide for your foundation to identify and address potential gaps in your policy change efforts.[1]

BOX 2

Policy Advocacy Engagement Checklist

Step 1: Prepare to Engage in Policy Advocacy

- ❑ Has your community foundation completed an internal policy change capacities and priorities assessment?
- ❑ Does your foundation have an established policy advocacy decisionmaking process?
- ❑ Does your foundation have a process to assess the fit of policy advocacy activities (i.e., their alignment with the foundation's mission and vision)?
- ❑ Does your staff/board/foundation leadership understand your policy change capacities and internal policies?
- ❑ Has your board of directors authorized the specific policy advocacy being considered?
- ❑ Does your foundation have the internal resources to address or engage in policy?

Step 2: Define the Problem and Identify a Policy Solution

- ❑ Has your community foundation or its partners collected and translated available data to clearly understand the policy problem?
- ❑ Does your foundation clearly understand who is most impacted by the policy problem?
- ❑ Has your foundation conducted community engagement, engaged your community advisory board, or consulted recent community engagement reports to learn about the lived experience of people who have encountered the problem of interest?
- ❑ Have you identified a clear policy solution that has evidence to support its efficacy? If the solution is novel, have you collected evidence to suggest its potential?
- ❑ If you have identified a policy that you would like to support, have you reflected on who will not be served by this policy? If they are a key population for whom you are hoping to create better outcomes, how might you support other systems changes to accompany the policy change?

Step 3: Understand the Policy Environment

- ❑ Does your community foundation have a strong understanding of the local and national champions and opponents of your selected policy change?
- ❑ Has your foundation completed a policy ecosystem map?
- ❑ Do you know who your allies are and what actions they have already taken regarding this policy problem?

- ❑ Have you reflected on your relationship with your allies? How will they view your foundation playing a role in this policy change?

Step 4: Draft a Policy Change Agenda

- ❑ Has your community foundation created an audience-tailored rationale for action to advocate for this policy change?
- ❑ Is your case for why your foundation should get involved and the role you should play clear and specific?
- ❑ Have you brought your board along with you for the policy change you have selected and the role you intend to play in the policy change process?

Step 5: Build a Policy Change Campaign

- ❑ Has your community foundation created an internal tactical document that explains how it will implement your policy change agenda?
- ❑ Is the plan realistic and detailed enough to facilitate action?
- ❑ Do you have the staffing and sign-off from your leadership and board to execute your policy change campaign?

Step 1: Prepare to Engage in Policy Advocacy

- ❑ *Has your community foundation completed an internal policy change capacities and priorities assessment?*
- ❑ *Does your foundation have an established policy advocacy decisionmaking process?*
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- ❑ *Has your board of directors authorized the specific policy advocacy being considered?*
- ❑ *Does your foundation have the internal resources to address or engage in policy?*

Before engaging in policy change, it is important to internally assess your community foundation's policy change capacities and priorities and confirm your decisionmaking process. Charting a process for how your organization navigates policy-related initiatives, along with the reasons behind your engagement in advocacy efforts, ensures your team members, board, and external partners are on the same page about what you are willing and not willing to support. This section describes seven key actions you should take to prepare your foundation for engaging in policy change: (1) learn about policy change models, (2) ensure you understand the difference between policy advocacy and lobbying, (3) familiarize yourself with the various roles community foundations can play in policy change and study examples from around the country, (4) establish your foundation's policy engagement decisionmaking process, (5) assess your foundation's capacity and strengths, (6) discuss where your foundation has comparative advantage and what role it wants to play in policy advocacy, and (7) build your foundation's policy muscle.

Action 1: Learn about Policy Change Models

If you are new to the policy space, appendix A presents three models for how policy change occurs, including the role of outside forces, policy windows, and formal change processes. The models from the Centers for Disease Control and Prevention, Paul Cairney, and John W. Kingdon are provided because they present differing views on how policy change occurs. Taken together, these models offer helpful considerations as you think about the role you want your foundation to play in a policy change process and what it will take to get the policy enacted. The five-step policy change model in this toolkit draws on these models, as well as on the Policy and Systems Change Compass developed by the Urban Institute and the National League of Cities.

Action 2: Ensure You Understand the Difference between Policy Advocacy and Lobbying

Generally, advocacy is used to educate, disseminate research to support a cause, or build coalitions and networks to strengthen a movement toward change. While both advocacy and lobbying seek to influence change, advocacy is an umbrella term that includes a variety of activities aimed at educating and mobilizing the public on a topic or issue, whereas under the Internal Revenue Service definition, lobbying is a specific form of advocacy that attempts to influence or expresses a view about legislation.[2]

Advocacy is not limited to influencing government decisions. It encompasses activities such as sharing information about your foundation's work, including lessons learned from the work of grantees and partners; discussing broad social or economic issues; promoting nonpartisan analysis, study, or research; co-hosting events or jointly funded projects; and engaging in regulatory affairs.

In contrast, under the IRS rules, lobbying is specific to "action by Congress, any state legislature, any local council, or similar governing body, with respect to acts, bills, resolutions, or similar items (such as legislative confirmation of appointive office), or by the public in referendum, ballot initiative, constitutional amendment, or similar procedure." They clarify that "it does not include actions by executive, judicial, or administrative bodies."[3]

For the purposes of federal tax law, lobbying is divided into two separate categories: direct lobbying and grassroots lobbying. Direct lobbying is an attempt to influence a specific view of legislation by directly communicating with any government official involved in the policymaking process. For example, it may involve expressing support or opposition for a bill through activities such as meeting with legislators, drafting legislative language, or organizing pressure campaigns. This is different from grassroots lobbying, where a lobbyist communicates with a segment of the general population to take action on a specific piece of legislation through call-in and social media campaigns. For both categories, the communications must refer to and take a specific position on a legislation, and it can happen at any stage of the legislative process, including prior to a bill being introduced. Lobbying is regulated at the federal, state, and local levels, and organizations that pursue lobbying may, depending on the type of lobbying, need to register with the government, comply with specific regulations, and report their activities (box 3).

Notably, the "self-defense" exception allows organizations to lobby legislators on issues that directly impact their existence, powers, duties, tax-exempt status, or the deductibility of contributions.[4] This means they can communicate with legislative bodies and make expenditures to initiate relevant legislation. However, this exception does not cover general advocacy, such as opposing local development projects or lobbying against increased postage rates for nonprofits, as those do not affect the organization's core powers. It does apply to legislative attempts to limit the qualifications of certain groups as charities or the tax deductibility of donations to lobbying groups. This exception can be used both proactively and defensively, such as supporting temporary increases in donation deductibility during crises like the COVID-19 pandemic.

BOX 3

Laws Governing Community Foundation Lobbying

The Internal Revenue Service classifies community foundations as 501(c)(3) public charities because of the level of engagement and financial support they receive from the public. In contrast, the IRS classifies 501(c)(3) organizations that are controlled by a small group of individuals and receive "much of [their] support from a small number of sources and from investment income" as 501(c)(3) private foundations.[a] This distinction based on the level of public involvement explains the different laws governing lobbying activities of community foundations and private foundations.

Unlike private foundations, community foundations can engage in lobbying activities just like other public charities as long as the activities constitute an "insubstantial" portion of the organization's total activities. Insubstantial is not well defined by the IRS,[b] so many organizations choose to fill out a 501(h) tax election form to measure its lobbying activities. The nontaxable amount for lobbying varies based on exempt purpose expenditures: it ranges from 20 percent for expenditures ≤$500,000 to a flat $1,000,000 for expenditures >$17,000,000, with progressive formulas for amounts between these thresholds (see table below).

If the amount of exempt purpose expenditures is:	Lobbying nontaxable amount is:
≤ $500,000	20% of the exempt purpose expenditures
>$500,00 but ≤ $1,000,000	$100,000 plus 15% of the excess of exempt purpose expenditures over $500,000
> $1,000,000 but ≤ $1,500,000	$175,000 plus 10% of the excess of exempt purpose expenditures over $1,000,000
>$1,500,000 but ≤ $17,000,000	$225,000 plus 5% of the exempt purpose expenditures over $1,500,000
>$17,000,000	$1,000,000

Source: "Measuring Lobbying Activity: Expenditure Test," Internal Revenue Service, last reviewed and updated August 19, 2024, https://www.irs.gov/charities-non-profits/measuring-lobbying-activity-expenditure-test.

[a] "EO Operational Requirements: Private Foundations and Public Charities," Internal Revenue Service, last reviewed and updated August 19, 2024, https://www.irs.gov/charities-non-profits/eo-operational-requirements-private-foundations-and-public-charities.
[b] "Measuring Lobbying: Substantial Part Test," Internal Revenue Service, last reviewed and updated September 9, 2024, https://www.irs.gov/charities-non-profits/measuring-lobbying-substantial-part-test.

Action 3: Familiarize Yourself with the Various Roles Community Foundations Can Play in Policy Change and Study Examples from around the Country

Despite the restrictions on lobbying, there are many other ways community foundations can engage in policy advocacy under IRS rules. The list below shares some examples of activities community foundations can engage in. (Please note that this guidance is not legal advice and cannot be relied on to avoid IRS penalties. Additional lobbying rules and restrictions at the state level vary and are heavily based on circumstance, and therefore all activities should be discussed with legal counsel.)

Policy Advocacy Activity	Examples
Commissioning and sharing local data: ▪ Supporting research that documents your community needs. ▪ Sharing local data with your community in an accessible way.	The Boston Foundation hosts Boston Indicators, an in-house research department that annually generates several major publications and curates ongoing data maps and tools. These efforts promote local policy discussions, program investments, and advocacy efforts that have informed the passage of more than a dozen state laws.[5] Since 1996, the Community Foundation Boulder County has published its biennial magazine *TRENDS: The Community Foundation's Report on Key Indicators*, which informs and engages Boulder County residents and civic leaders on the community's most pressing needs based on 150 indicators of social, economic, and environmental health, as well as provide in-depth community reporting. In addition to *TRENDS*, the foundation has recently published a podcast, community diary, reporting fellowship, and solutions fund.[6] Foundation for the Carolinas is an organizational partner for Leading on Opportunity, an economic mobility initiative that uses community-informed strategies to engage diverse voices, amplify stories and data, and inform policies and practices leading to transformative change.[7]
Convening community members: ▪ Creating safe spaces for community members to address concerns and share their lived experience. ▪ Hosting long-term community conversations that support broad resident participation in community problem-solving.	In Minnesota, the Southwest Initiative Foundation partnered with the Government Alliance on Race and Equity and the League of Minnesota Cities to bring together institutional stakeholders, such as elected officials, city administration, school personnel, and other local community leaders, to analyze policies and practices that create barriers to racial equity and explore how to remove them.[8] In California, the Central Valley Community Foundation is a lead funder and the backbone organization of Fresno DRIVE initiative, a 10-year investment plan to reduce economic racial disparities in Fresno. DRIVE is comprised of 38-member Executive Committee, 14-member Race Equity Committee, and 27-member Initiative Leaders Collaborative. To develop DRIVE, the foundation engaged 150 civic entities and community-based organizations from within the Fresno region.[9]
Media engagement: ▪ Writing an op-ed. ▪ Maintaining ongoing relationships with local media.	New York Community Trust President Amy Freitag wrote a piece for *Bloomberg Tax* arguing against the IRS's proposed regulations to donor-advised funds and community foundations.[10]

Leveraging funding:

- Funding grantees to do policy advocacy.
- Engaging donors or board members to advocate for policy advocacy.

In 1997, the New Hampshire Charitable Foundation launched the New Futures initiative aimed at supporting innovative approaches to preventing and treating alcohol, tobacco, and other drug problems in New Hampshire.[11] Through New Futures, the foundation invests in public policy and advocacy, including advocating for Medicaid expansion in New Hampshire, which gave residents access to health insurance that includes coverage for addiction treatment; and launching the state's Alcohol Fund, which dedicates profits from state-run liquor stores for treatment, prevention, and recovery.[12]

Supporting civic engagement:

- Participating in nonpartisan election activities, such as voter engagement and Get Out the Vote, and filing lawsuits or amicus briefs.
- Maintaining direct communication with policymakers for ongoing engagement.

From 2019 to 2021, the Fairfield County's Community Foundation invested $140,000 to the Civic Engagement and Advocacy Fund, which supports partnerships with local nonprofits and the secretary of state to increase civic engagement and run nonpartisan Get Out the Vote campaigns. In 2022 and 2023, the foundation launched Your Vote = Your Power, a campaign to encourage residents in the region who usually do not vote to register and vote on Election Day.[13]

Advocating for public policy change:

- Participating in policy task forces.
- Submitting public comments in response to legislations.

In 2017, Flozell Daniels, chief executive of the Foundation for Louisiana, was appointed as a member of the Louisiana Justice Reinvestment Task Force, where he worked with other task force members to pass historic state legislation to slash the prison population and reinvest $154 million into programs to reduce crime and recidivism (State of Louisiana 2017).

In 2019, the San Francisco Foundation worked with a cross-sector coalition to help secure the passage of 11 statewide bills that will prevent homelessness, protect renters, preserve existing affordable housing, and produce a significant number of new affordable homes in the region.[14]

Action 4: Establish Your Foundation's Policy Engagement Decisionmaking Process

If your community foundation wants to engage in policy change, it is important to have an established and well-documented process for foundation decisionmakers to follow. For example, consider developing a rubric to assess policy change opportunities, which include factors such as the following:

- alignment with mission, vision, and values
- alignment with key areas/policy domains of focus
- clear window of opportunity

- standing (e.g., Is the community foundation the right organization to lead or follow on this issue? Does it add value to the policy discussion based on its credibility, resources, or experience?)
- board support
- staff capacity and content expertise
- resources to address or engage in policy
- availability and sufficiency of data on the issue
- potential for action on the policy to create the desired impact on target populations
- availability and readiness of partners
- costs of action or inaction

You may also consider developing a tiered engagement strategy that establishes different levels of involvement on an issue. This way, as policy change opportunities arise, you can assess which tier of engagement makes most sense based on the issue. Finally, you should have a clear process for how policy change opportunities get raised and who makes the final decision. For example, who needs to sign off on a decision to engage on a specific policy opportunity? The board? The CEO? The foundation's attorney or legal counsel?

Action 5: Assess Your Foundation's Capacity and Strengths

In addition to establishing a process that will guide your foundation in assessing policy advocacy opportunities, you should have a firm understanding of what your organization's capacities are as it relates to policy change and where your efforts will be most valuable. This section will lead you through questions to consider when evaluating your foundation's capacities, defining your desired role, and establishing clear priorities and processes for action planning.

Internal organizational capacity assessments are structured reviews that help determine what role your organization can realistically play in the policy change process. The goals of a capacity assessment are to create an intentional process to understand your organization's strengths and areas for improvement, set tailored and realistic objectives, identify opportunities for growth, and anticipate challenges. The form and depth of the assessment should be tailored to your foundation's needs and previous assessments, but the capacity evaluation questions below can apply to most organizations.

Bearing in mind the many roles community foundations play, how would you evaluate your organization's current roles, performance, potential new roles, and areas of disinterest? Following are roles to consider, drawn from the Stand for Your Mission campaign's *The Power of Board Advocacy: A Discussion Guide for Foundation Boards* (see box 4).

- **Convener:** Does your organization bring governments, nonprofits, foundations, and businesses together to address issues of importance?
- **Educator:** Does your organization raise awareness of policy matters with the general public, media, and policymakers?
- **Capacity builder:** Does your organization provide training for foundation staff, board members, and grantees on policy advocacy, working in coalitions, lobbying laws, and effective communications with policymakers?
- **Funder:** Does your organization fund advocacy, civic/voter engagement, and legal lobbying activities and coordinate with other funders?
- **Champion:** Does your organization internally and externally have a loud and frequent voice for the policy work of grantees?
- **Donor engagement:** Does your organization engage donors or board members to lend their voice to advocacy?
- **Researcher:** Does your organization publish reports that educate policymakers, media, and the general public on specific policy issues?
- **Defender:** Does your organization engage with and support groups that work to protect the interests of all nonprofits and defend against state and federal policy threats on core issues (e.g., regulation, tax policy, independent decisionmaking), including filing lawsuits or writing amicus briefs?
- **Partner:** Does your organization join coalitions that are working toward systems change at the local, state, federal, and/or tribal levels?

BOX 4

Policy Change Capacities among the NEON Policy Working Group

Urban Institute provided technical assistance to NEON cohort members.[a] It surveyed the community foundations about their policy change capacities, including asking them what they already do and are good at, what they already do but want to learn more about, what they do not do but want to learn how to do, and what they do not have any interest in doing. (If you would like to take the assessment, see appendix B.)

The survey results showed that the foundations already played and were most confident in playing the roles of partner, champion, educator, and convener. Although they played the roles of defender and funder, they wanted to learn more about those roles. Fewer foundations indicated that they were performing the roles of researcher and donor engagement, and some said they did not want to or cannot play those roles.

[a] NEON is the Community Foundation Opportunity Network's aligned action network, known as the Nexus for Equity + Opportunity Nationwide.

How important are policy change activities for your community foundation? These activities can include grantmaking to advocacy organizations, building up internal structures to support policy change (e.g., educating your board about policy change efforts, networking, updating your website with policy priorities, releasing policy stance memos, appointing a policy director, etc.), or advocating directly for policy change (e.g., lobbying, filing amicus briefs, publicly endorsing or opposing legislation, etc.).

Considering your community foundation's policy change goals, which level of government policy do you want to prioritize? Options include local, state, federal, tribal, or a combination. Each policy level demands different approaches, resources, and stakeholders, so it is crucial to have a clear end goal. For example, if your organization aims to increase the minimum wage, a state-level initiative may be effective in states with multiple communities already supporting living wage ordinances. But it may require significantly more resources to advocate for this policy in a state where your foundation lacks established partnerships or where living wage ordinances are not yet in place. Being clear and realistic about your intended impact can better inform your planning and approach.

Given your organization's current internal and external environment, where do you expect to experience resistance to your involvement in policy change work and are there any particular policy issues or positions for which you expect resistance? While predicting resistance during the planning phase might seem pessimistic, it is a practical strategy for identifying stakeholders who may challenge your efforts—including those within your organization. This foresight allows you to plan for and respond to criticism effectively. It also provides an opportunity for you to engage stakeholders who are undecided and open to hearing more about your policy change initiative. For example, consider a board member who may need additional persuasion to support your proposed advocacy move or who may actively oppose it. It is essential that you provide this board member, a key stakeholder, with the necessary materials, conversations, and time to make an informed decision. Addressing stakeholders' concerns early can ensure they feel valued and informed, which can significantly influence their support. Furthermore, by anticipating resistance and proactively addressing it, you can strengthen your policy change initiative and build a more supportive coalition.

Action 6: Discuss Where Your Foundation Has Comparative Advantage and What Role It Wants to Play in Policy Advocacy

After assessing your community foundation's capacities, you need to decide what role your foundation wants or needs to play in the policy change arena. Your decision might depend on the policy issue of interest and an assessment of the policy change ecosystem to see whether there is desire for your foundation's engagement or leadership or whether there are others already leading the effort. (Therefore, you may want to return to this after action 3.) Generally, your community foundation will likely assume one of three roles: lead, join, or fund. Will your organization lead the policy change initiative, join an existing coalition or partnership and play specific roles within that coalition, or fund a coalition? Step 4 "Build Your Coalition for Systems Change" of the Upward Mobility Initiative's Planning Guide for Local Action provides best practices and key considerations for building your own upward mobility coalition, as well as supplemental resources for inviting new partners into your coalition, sample agendas for hosting meetings, and an inventory template for assessing potential partners.

Understanding which role your foundation wants to play will shape your strategy and messaging to potential partners and audiences. Appendix C provides a sample exercise based on real-life examples of community foundations to help you decide if you should lead, join, or fund a policy change coalition.

Action 7: Build Your Foundation's Policy Muscle

Given that policy advocacy is unfamiliar territory for many community foundations, it is important to ensure your foundation has the buy-in from your board to do this work, and the staffing and capacity to execute your engagement strategy. Urban polled community foundations on what it takes to build the policy muscle within their organizations and found that it is essential for the following factors to be in place:

- a board of directors committed to public policy as a strategy for achieving the foundation's desired outcomes
- staff with policy expertise
- relationships between the board, staff, and a range of policymakers, content experts, media, and community members
- infrastructure to legally and effectively engage in policy change (along with an understanding of the laws governing foundations' actions)
- flexible grantmaking timelines (as policy victories often require several months or years of engagement and investment)

It is valuable to recognize the common challenges experienced by community foundations working in a policy space, which include considering what donors want and the possibility of gaining or losing donors based on your choices, deciding whether (and how) to prioritize policy efforts, and understanding the policy sphere.

Step 2: Define the Problem and Identify a Policy Solution

- ❑ *Has your community foundation or its partners collected and translated available data to clearly understand the policy problem?*
- ❑ *Does your foundation clearly understand who is most impacted by the policy problem?*
- ❑ *Has your foundation conducted community engagement, engaged your community advisory board, or consulted recent community engagement reports to learn about the lived experience of people who have encountered the problem of interest?*
- ❑ *Have you identified a clear policy solution that has evidence to support its efficacy? If the solution is novel, have you collected evidence to suggest its potential?*
- ❑ *If you have identified a policy that you would like to support, have you reflected on who will not be served by this policy? If they are a key population for whom you are hoping to create better outcomes, how might you support other systems changes to accompany the policy change?*

After having prepared your foundation to engage in policy change, you are now ready to begin addressing a specific local challenge. This section guides you in ensuring that you have a deep understanding of your local problem, including who it impacts most; have a clear case for why your community foundation should get involved; and have identified evidence-based policy solution that will address the problem.

Ensure You Understand the Problem

Understanding the problem behind the policy you are attempting to influence is a crucial grounding step. To identify the right policy solution, you need a clear understanding of the root causes behind the problem, who benefits or is disadvantaged by it, and what different types of solutions may effectively address it. Consider the questions below to ensure you have a deep understanding of the challenge.

Do you have the right problem in sight? Clearly defining the problem minimizes the risk of misdiagnosis, which can lead to ineffective solutions or wasted resources. When gathering information, it is important to decide whether you are leading, joining, or funding this potential policy change initiative and provide context to your findings. For example, if you are leading a policy change initiative, you will need to consider the feasibility of communicating new insights (based on community readiness and political environment), more than if you were joining or funding an already existing initiative. Use the following resources and research methods to learn about community challenges:

- **Gather data on upward mobility conditions in your community:** The Urban Institute's Upward Mobility Initiative hosts a set of Mobility Metrics you can use to measure the status of and progress toward increasing upward mobility and equity in your community. Communities that want to learn more about where they stand across a wide range of evidence-based predictors can visit the Upward Mobility Data Dashboard.
- **Engage with community members directly impacted by the problem you are attempting to address:** In step 6 "Build a Fuller Picture of Mobility Conditions in Your Community" of the Upward Mobility Initiative's Planning Guide for Local Action, you will find guidance on collecting qualitative information through stakeholder and community engagement. Similarly, Urban's Community Engagement Resource Center's Community-Engaged and Participatory Methods Toolkits outline best practices of community engagement. Establishing and maintaining meaningful relationships with the community will help you understand how a problem manifests in your local context, as well as provide a clearer picture of the consequences of the problem. In addition to engaging with community members who are directly affected, it is important to conduct stakeholder engagement with local community-based organizations, businesses, health care and social service providers, and others who possess on-the-ground or institutional knowledge. Keep in mind that the challenges you see are likely only the symptoms of deeper root causes that exist in your community. In your work to address your local mobility and equity challenge, consider conducting a root cause analysis to determine the underlying factors that contribute to the existence or persistence of issues, and then direct your policy advocacy toward those roots rather than their symptoms.
- **Inventory existing work already happening in your community:** This step involves gathering and analyzing data; conducting literature reviews; compiling reports or briefs from nonprofits, health organizations, and similar initiatives; researching historical information about forces and systems that created the problem you are focusing on; collecting data from national research organizations, such as the Urban Institute, Opportunity Insights, City Health Dashboard,

County Health Rankings & Roadmaps, and the National Equity Atlas; or doing a policy landscape scan to discover what work has already been done to address this challenge. Step 2 "Using Mobility Metrics to Surface Insights" and step 5 "Develop an Initial Understanding of Local Mobility Conditions" of the Upward Mobility Initiative's Planning Guide for Local Action walk you through existing data resources as well as provide guidance for supplemental data collection and analysis.

Do you have a clear understanding of who is most impacted by this community problem? After determining what the data you have gathered (both qualitative and quantitative) reveal about who is most impacted, consider asking questions such as: Do we have enough information about subgroups or sub-geographies in our community? Are there target populations or neighborhoods for which we lack insight? Do we have sufficient years of data to discern trends over time? Do we have a diverse set of perspectives represented in our qualitative data? What blind spots might exist in our data? Next, consider why existing solutions have not adequately supported this group, and what would need to be done differently to effectively support this group. Talking to community members from the group and the nonprofits who support them should help you answer these questions. Also, consider whether community members have the power, position, and opportunity to express their authentic perspectives.

Do you understand why the problem persists in your community? What do the data say is happening? What would you expect to see if you were to do something about it? Data can be an incredibly helpful tool for painting a picture of the challenge, including showing disparities and storytelling to illustrate how this challenge impacts certain groups of people. Consider why the problem is happening by examining data on current expenditures, initiatives, programs, and policies, and why these efforts may be insufficient. Additionally, analyze data on disparate outcomes present in your community and the historical policies that have contributed to them. In the Upward Mobility Data Dashboard, this can be found by clicking "expand full card" on your Mobility Metrics of interest. As you review this and other data, look for evidence about why focusing on one specific community challenge or target population has broader implications for boosting mobility from poverty and advancing equity, and what longer-term efforts focusing on this issue or population could lead to.

If searching for the right data sounds never-ending, continue your search at a smaller scale. This will ensure that your understanding of the problem remains dynamic and open to fortification with additional findings. It is also valuable to consider why certain information may not be available and whether your resources could support the development or gathering of missing data or information. For example, if you have a university or research organization in your coalition, you might consider funding them to gather data on your specific challenge of interest. See appendix D for a sample worksheet designed to guide your data gathering.

Write Your Rationale for Action

Before you begin to identify potential policy and systems change solutions to address your local upward mobility and equity challenge, it is important to capture all your findings in one document called the "rationale for action" (or the "how we got here" document). It is intended to explain to potential partners and the public why you have decided to take action on this particular issue and what led to the problem's existence. The rationale for action should describe the following:

- the problem to be addressed in the community and endorsement by the community
- how the problem impacts upward mobility and equity
- the relevant root causes of the problem
- the data and evidence to show the impact of the problem, including data on differential outcomes for different groups of people
- the reasons previous efforts have failed
- why now is the right time to act
- why your community foundation needs to get involved, and why you are the right actor to engage
- what you would expect to see if the problem were adequately addressed, including both the population outcomes and the changes to organizations and systems

The rationale for action should be a succinct document (ideally, no more than three pages) or a set of slides that serves as the foundation's elevator pitch for why it wants to get involved in a particular local challenge. Be sure to consider who your audience is and/or who needs to be convinced to approve or sign off (e.g., your board, a community partner, etc.). Consider also where this document will be published (e.g., on your website, as an op-ed in the local newspaper, etc.). Your rationale will be much stronger if you have given some thought to your key audience and platform.

See a template for writing your rationale for action in appendix E. A rationale for action from the Fairfield County's Community Foundation is provided in appendix F, along with the foundation's reflections on its ongoing policy change process. For more examples, take a look at the Mobility

Action Plans developed by the Boosting Upward Mobility Cohort in 2022, which include a section called "How We Got Here" that describes their local history of upward mobility and racial equity.

Identify the Right Solution or Policy Change Effort

Now that you have completed a thorough process to understand your local challenge, you can begin identifying policy solutions or existing policy change efforts that best align with your goals. This stage is critical, as the effectiveness of your advocacy will depend on how well these solutions address the root causes and dynamics you have identified. When assessing available policy solutions, carefully consider who that solution will serve and who it might miss. For example, a living wage policy may only impact those who are currently receiving minimum wage and not others, such as service industry workers and farm workers whose wages are set at different levels by state and federal law. If these individuals are part of your target audience, then your policy change effort will not create better outcomes for them. While this does not necessarily mean that you should abandon your advocacy for this policy change, you should consider what other policy or systems changes will be needed to support better outcomes for these individuals. Intentionally considering the direct and indirect effects of your proposed solution is an important step to ensuring that it is equitable.

There are several approaches you can take to identify the right policy solution. One approach is to consult local subject-matter experts and organizations specializing in policy research and analysis to help you find evidence-based or promising policies that have been tried in other locations. You may also consult the following evidence resource libraries and clearinghouses:

- The Urban Institute's Upward Mobility Initiative—evidence and promising local policy interventions for the predictors in its Upward Mobility Framework
- Results for America's Economic Mobility Catalog
- County Health Rankings & Roadmaps's What Works for Health tool
- The University of California San Francisco's Social Interventions Research & Evaluation Network (SIREN) Evidence & Resource Library
- The National Center for Education Evaluation and Regional Assistance's What Works Clearinghouse
- The Council of State Governments's What Works in Reentry Clearinghouse
- PolicyLink's All-In Cities Policy Toolkit

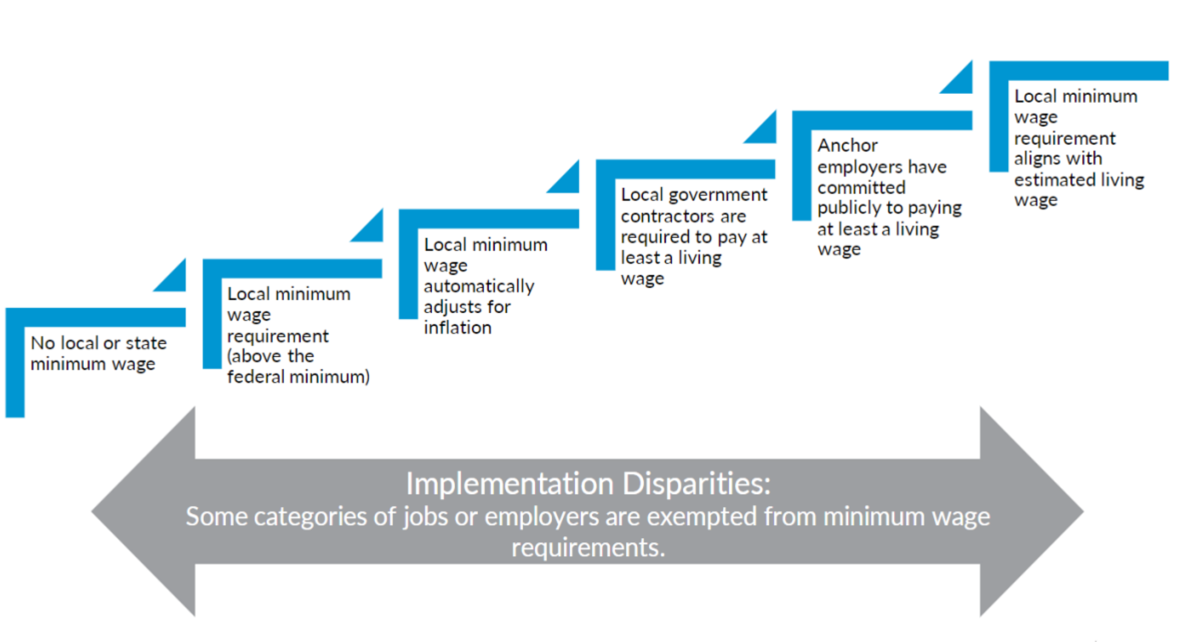
If your community foundation has the interest and capacity to engage in policy research more comprehensively, it would be valuable to develop an evidence-based "policy ladder," a concept developed by Margery Austin Turner and Martha Fedorowicz at the Urban Institute. A policy ladder is a tool designed to rank the policy changes a community might make on a particular issue, with the lowest rung on the ladder demonstrating a lack of policy or a version of the policy that does not support better upward mobility outcomes for residents, and the highest rung demonstrating a version of the policy that could create the most impactful outcomes for residents if implemented to fidelity. The ladder should be policy topic specific. By researching the incremental policy improvements that will lead you from the bottom to the top of the ladder, you can create your own ladder that allows your community to identify its current state (step on the ladder) and set an explicit goal (progress up the ladder). You can conduct independent research or engage with a local policy advocacy organization. Policy ladders can be a useful tool for measuring progress on a policy, as well as a helpful rubric for choosing which policy solutions to target based on where your community currently falls.

See figure 2 for a policy ladder designed to represent progress toward provision of a living wage. Below the ladder is an arrow labeled "implementation disparities." This is a key component of researching the progression of policy change in your community. No matter how exhaustive, detailed, or carefully implemented, there will always be a part of your community's population that is not being directly or adequately served by your policy change. It is imperative that your foundation is proactively made aware of these implementation gaps, so that you can account for them within the limits of your advocacy and feasible implementation.

Using the data and evidence you have collected up to this point, your next step is to identify your community's starting place on this policy ladder. Then, based on the outcomes you have set as your goal, you should confirm that the next step on the ladder is the immediate goal of your chosen policy solution, or adapt the goal accordingly. Remember to consider whether your ideal outcomes will require a longer or different campaign than your immediate goal. Appendix G provides a template for assessing possible policy changes in your community.

FIGURE 2

Living Wage Policy Ladder



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Source: Developed by Margery Austin Turner and Martha Fedorowicz, with subject-matter expertise provided by Elaine Waxman and Kevin Werner, at the Urban Institute.

Update Your Rationale for Action with Your Policy Solution

Now that you have identified a policy to advocate for or a policy change effort to join, you should update your rationale for action with your selected policy solution and the basis for its selection. In the appendixes of this toolkit, you will find two exercises designed to assist you in this endeavor: writing your rationale for action elevator pitch (appendix H) and writing your rationale for action (appendix E). The elevator pitch helps you succinctly articulate your problem and solution in a way that captures interest and conveys urgency. The rationale for action provides a structured format for detailing the evidence and reasoning behind your proposed solution, demonstrating its potential impact and feasibility.

Step 3: Understand the Policy Environment

- ❑ *Does your community foundation have a strong understanding of the local and national champions and opponents of your selected policy change?*
- ❑ *Has your foundation completed a policy ecosystem map?*
- ❑ *Do you know who your allies are and what actions they have already taken regarding this policy problem?*
- ❑ *Have you reflected on your relationship with your allies? How will they view your foundation playing a role in this policy change?*

Effective policy advocacy requires a deep understanding of the context and environment in which you seek to operate and influence. Investing time and resources in analyzing your specific policy landscape, also known as policy ecosystem mapping, is crucial to ensuring the relevance, sustainability, and alignment of your policy efforts with existing initiatives. Given the dynamic nature of these environments, periodically revisit the exercises below to document changes and update your approach accordingly. You should also return to step 1 and reconsider whether you will lead, join, or fund the policy change effort after you have a deeper understanding of the local policy ecosystem.

What Is Policy Ecosystem Mapping and Why Do It?

In the policy advocacy space, you engage in the dynamic process of researching, compiling, and actively mapping out the policy environment. This environment, or ecosystem, is shaped by ever-evolving norms, cultural dynamics, funding streams, narratives, politics, economic factors, technological infrastructure, and other variables that demand thorough exploration. As you may be aware, some of these factors are most prominent within the sphere of your local governing body, but many forces at play are outside local governments where policy action takes place. To successfully navigate this fluid ecosystem, you should search for where partnership momentum already exists and understand where barriers or blockages could prevent progress, recognizing that these elements are subject to change over time. Failing to account for these nuances diminishes your understanding of the setting of the challenge you aim to address, which reduces the likelihood of your initiative's success.

Policy ecosystem mapping, deeply rooted in both policy literature and practical application, is routinely employed across policy fields. Fundamentally, this process will help you assess the feasibility of your options for action.

Components of an Ecosystem Map

The mapping process should be tailored based on the policy context and intended audience, and it can range from a very simple to complex visual model. Try to complete your map in a collaborative team setting and be as specific as possible to get a clear understanding of the policy landscape. This toolkit provides a basic visual model for mapping the following elements (see appendix I for a full worksheet):

- **Responsible actors:** Who are the primary and secondary actors and organizations exerting control and influence, providing support, or opposing the advocated policy option? They may range from local entities to international stakeholders, depending on the proposed policy change.
- **Allies:** What factors within your foundation or community propel the advancement of this policy option? They include the positive forces supporting your work, such as existing donors, infrastructure, momentum, or public backing; a favorable political environment, legal parameters, or fiscal and budgetary opportunities; strengths in staff capacity; and the potential to leverage or build upon existing/new initiatives.
- **Opponents:** What external forces beyond your foundation impede the progress of this policy option? They encompass negative influences that may obstruct your endeavors, such as macroeconomic or local market trends, business decisions, unfavorable political environments, budget constraints, existing infrastructure, and staffing gaps or weaknesses.
- **Equity implications:** How does equity factor into this policy option? In what ways can this policy ensure equitable benefits? This involves evaluating the current conditions and potential impacts of the proposed policy through the lenses of race, economic inequality, environmental justice, health disparities, and other relevant considerations.
- **Community's role and perspectives:** How does the public influence and shape your policy ecosystem? What are their sentiments regarding this policy option? The public holds a

significant role in supporting or opposing it. This includes considering the community context within the ecosystem, the presence and activities of national government organizations and community-based organizations, recent community conversations and conflicts, existing collaborations, potential partnerships, and the use of community assets and local expertise.

Reflecting on Your Ecosystem Map

As you work on your policy ecosystem map, consider the interplay of the elements you identified, and take a moment to reflect on how they will impact your ability to get your selected policy change enacted.

- **Understand your strengths and weaknesses:** Acknowledge how these reinforcing elements bolster the effectiveness of your work within the policy advocacy field. Concurrently, pay attention to the weaknesses or barriers within the ecosystem. Reflect on strategies to address these weaknesses, such as seeking additional resources, fostering collaborations, or implementing targeted interventions.
- **Embrace uncertainty:** The unknowns represent areas where further exploration or information gathering is required. View these gaps as opportunities for learning and refinement. Consider engaging stakeholders or conducting additional research to fill these knowledge voids. This will enhance the comprehensiveness of your understanding of your unique role in the policy environment. Reflect on how these factors can shape the reception of your policy proposal and strategize on how to align your approach with community needs and aspirations.

Summarize Your Insights into a Policy Ecosystem Memo

To more effectively disseminate the insight you have gleaned from your policy ecosystem mapping worksheet, create a short memo that formalizes what you have learned. Start by organizing the content into four succinct summary components:

1. Begin with a list of **allies**, grouping them by their capacity to assist with either influence or implementation.
2. Then a list of **opponents**, ordered by their potential to negatively impact outcomes.

3. Describe the evident **equity implications** of the policy change within the ecosystem, highlighting how different groups may be affected.
4. Finally, include a short description of the **community residents' perspectives**, detailing their current views on the policy change, and identify any gaps in outreach or insight from affected populations.

This structured approach will ensure that your memo is clear, concise, and valuable for future reference throughout the policy change process.

As you move forward and start working on your policy change campaign, this policy ecosystem memo will be a helpful resource, which you can use to make decisions about strategy, outreach, and partnership. Beyond identifying key stakeholders who could be influential in helping achieve your goals, your ecosystem map can be used to identify large-scale power dynamics and manage risk by mitigating barriers. Ultimately, it will ensure that your planning decisions are informed by your community environment. See appendix J for a set of questions to guide you in writing your policy ecosystem memo.

Step 4: Draft a Policy Change Agenda

- ❑ *Has your community foundation created an audience-tailored rationale for action to advocate for this policy change?*
- ❑ *Is your case for why your foundation should get involved and the role you should play clear and specific?*
- ❑ *Have you brought your board along with you for the policy change you have selected and the role you intend to play in the policy change process?*

Now that you have developed a deep and nuanced understanding of your local mobility and equity challenge and explored the various policy and systems change solutions available to you, using your local policy ecosystem map, draft a policy change agenda, which is a public-facing document that updates your rationale for action. It should include the following information:

- your selected policy solution (from step 2), and how it aligns with any priorities your community foundation has set
- an explanation of how this policy solution addresses the root causes of the problem you identified in your rationale, as well as how it serves your target population (from step 2)
- any shortcomings in this policy solution that will need to be addressed through other systems changes (from step 2)
- the role your community foundation intends to play in this policy solution (from step 1)
- what partners/allies your community foundation will engage in this effort (from step 3)
- what window of opportunity you will leverage to make this policy solution a success (from step 2)

The policy change agenda is an important resource for communicating with the public about your policy work and your intentions for partnership. It should be accompanied by a policy change campaign (to be discussed in step 5), which is an internal and more tactical document describing what the foundation will do to support your selected policy solution.

As you did with your rationale for action, consider who your main audience is and with whom you will share this policy change agenda. Because this is a public-facing document, it is important that you seek approval for your agenda and the solutions selected within it from your board, your donors, or any other authoritative partners.

Step 5: Build a Policy Change Campaign

- ❑ *Has your community foundation created an internal tactical document that explains how it will implement your policy change agenda?*
- ❑ *Is the plan realistic and detailed enough to facilitate action?*
- ❑ *Do you have the staffing and sign-off from your leadership and board to execute your policy change campaign?*

The final step in the policy change model is to build your policy change campaign (see appendix K for a template). This is an internal document that lays out a process for how your foundation will enact your policy change agenda. Specifically, it

- acknowledges barriers or roadblocks to getting your policy change enacted and addresses how your community foundation will attempt to overcome these barriers (from step 3),
- describes the policy change campaign activities your foundation will undertake,
- lays out the key steps needed to advance the policy change campaign and the actors responsible for leading these steps,
- sets milestones for policy adoption, and
- identifies measures of success for both the community foundation and the overall local mobility and equity challenge.

Assess Your Barriers or Roadblocks

Certain policy change factors may inhibit you from getting your selected policy passed, such as coalition strength, politics, election cycles, public perception, board approval, staff time and knowledge of the political process, and advocacy budgets. Refer to your policy ecosystem memo (described in step 3), and the opponents and community perspectives highlighted within, to understand known and potential roadblocks. Acknowledging barriers up front and proactively considering how to overcome or address them are crucial to getting your policy passed. You might also consider conducting a power mapping exercise to help you identify who in your community has power and whether this person can be an asset or a roadblock in your campaign.[15]

Determine Your Policy Change Campaign Activities

Policy change campaign activities are specific actions the foundation will take to advance its policy change agenda. You should draw from the roles/capacities discussed in step 1 but go one step further to add more specificity to the actions your foundation will take. For example, rather than saying that you will "convene key stakeholders," list who the stakeholders are, such as "convene members of the city's financial empowerment offices, the county's benefits program offices, and financial well-being nonprofits to discuss key shared policy priorities."

List Your Key Steps

To build your campaign, you should assign activities to specific people and include a timeline by when those activities need to be completed. You might consider using a responsibility assignment matrix (table 1)—also known as RACI (responsible, accountable, consulted, and informed) chart—or other similar project management tool to assign responsibilities.

TABLE 1
Responsibility Assignment Matrix

Activity	Responsible	Accountable	Consulted	Informed	Deadline

A RACI chart is a useful tool for community foundations pursuing policy change efforts because it helps define clear roles and responsibilities, ensuring everyone understands their specific contributions to the shared goal. By clarifying who is responsible for each task, it enables efficient delegation, shared resource use, and accountability, which are vital in resource-constrained settings. Additionally, the chart reinforces collaboration across departments, community partners, and stakeholders, allowing all parties to contribute effectively to the policy change campaign's success.

Assess Progress and Outcomes of the Policy Change Campaign

As you design your policy change campaign, it is important to consider how you will assess progress, gauge success, and learn and adapt based on data and feedback. Measuring policy change is not the same as measuring direct services or other types of activities and grantmaking. Policy advocacy can take multiple years and legislative cycles. Determining specific attribution to foundation grants or actions is difficult when there are many stakeholders, decisionmakers, and other funders involved. And there often can be pushback or challenges that force a change in tactic, strategy, or even the campaign itself (Guthrie et al. 2005). For these reasons, it is important to define specific milestones and measures that will help you to assess whether and how much progress is being achieved in the policy change campaign.

Set Milestones for Adoption

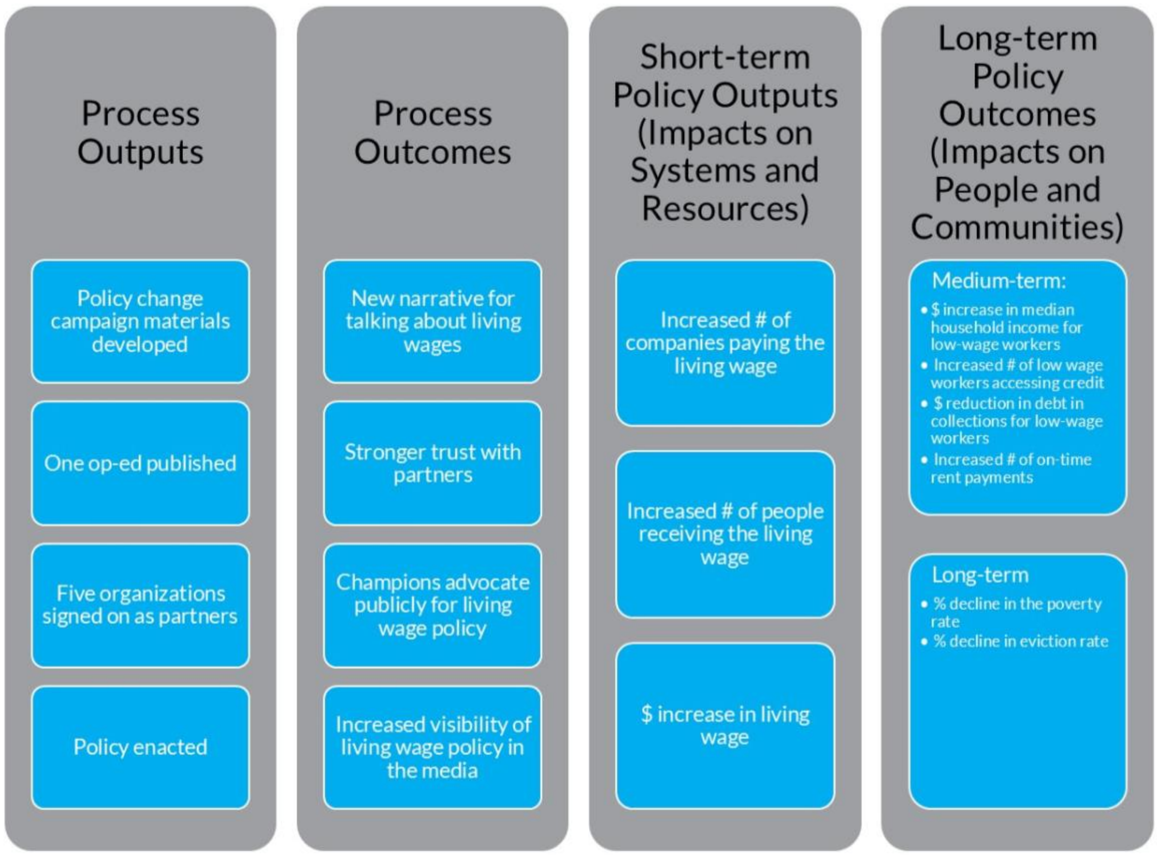
Setting milestones for policy adoption will help keep you on track and accountable for moving the work forward. Some milestones you might want to include are having media coverage of your work, securing the support from a key champion in your community, or appearing before your local council.

Other important milestones can be strengthening specific policy advocacy capacities by the foundation, grantees, or coalition, such as building community engagement, networking and aligning existing coalitions and allies, and even strengthening the communications capacity of the campaign. These components and milestones of the policy change campaign are not only the ingredients and process necessary for the campaign but also early and intermediate outcomes themselves (Reisman, Gienapp, and Stachowiak 2007).

Identify Success Measures for Your Process and Your Intended Systems and Population Outcomes

As the last part of your policy change campaign, it is important to identify and select measures to track your process and outcomes and develop a policy change measurement plan—and the means to track and report on these measures (figure 3). It is essential that you distinguish between measuring the success of your policy change *process* and measuring the success of your policy change on your intended systems and population outcomes. For example, in executing this policy change, you have likely sought to build new partnerships, change the narrative of the challenge in your community, and increase your community foundation's readiness to do policy advocacy. Process measures are indicators that help you track the success of the activities you have just undertaken. Did you create or disseminate a new public narrative around your policy change? Did you build stronger trust among the partners you worked with to get the policy passed? Did you gain deeper buy-in from your board? Did you recruit new champions who are publicly advocating for the policy? Did you establish an internal process for elevating potential policy priorities at your foundation?

FIGURE 3
Policy Change Logic Model



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Source: Created by authors.

Your community foundation will want to ensure if the policy change is working as intended after it is implemented, and your foundation or coalition can play a role in evaluating and monitoring the implementation. First, assess the extent to which the policy has been implemented. Was it fully adopted, funded, and staffed? Did the policy change produce outcomes or make resources available to the intended population? Second, measure the success of the policy change on the systems it is trying to change and on the populations for whom it is trying to create better outcomes. For example, after supporting the passage of a living wage policy, track the number of companies paying the living wage as one of your systems indicators, and the number of people receiving the living wage as one of your population indicators. In the longer term, you may also see other population outcomes. For example, household incomes for low-wage workers might increase, leading to better access to credit and reduction in outstanding debt in collections. In the even longer term, families and communities may see other benefits, such as declining poverty rates, increased housing stability, and improved health.

It is also important to stay alert to the unintended consequences and harms the policy change may cause. As implemented, does the policy leave out a key group of people? Is it possibly creating some negative outcomes for some groups? The history of many systems changes has shown that even with some positive outcomes for the majority of people, there can be disproportionate gains/losses across different groups, especially among people of color and disenfranchised communities who did not have enough voice or power in the policy design and implementation.

While it is important to state the ultimate population-level outcomes for your target population, these types of changes can take years and even decades. So it is essential to identify short- and medium-term outcomes, such as evidence of change to the systems you are trying to reshape and more direct impacts on the target population (e.g., increase in the number of people receiving the living wage).

Conclusion

As poverty and inequality persists in the United States, there is a greater need for a diverse set of actors to engage in breaking down barriers to upward mobility and equity. Community foundations—with their status as community-based anchor institutions and leaders, their financial resources, and their myriad ways of engaging in policy change work—have the potential to be key players in advancing that change. This toolkit provides the essential steps for understanding and engaging in the policy arena and offers strategic insights and practical tools for effective engagement in policy change. By applying the five-step model and tools outlined, community foundations can build dynamic policy change agendas, measure progress, and achieve transformative outcomes for people in their communities.

Appendix A: Policy Change Models in the Field

Adapted from Martha Fedorowicz and Laudan Y. Aron, "Improving Evidence-Based Policymaking: A Review" (Washington, DC: Urban Institute, 2021).

The policy change process does not adhere to a single, fixed model. Various models attempt to encapsulate this process, yet each one varies depending on factors such as the policy topic, environment, and the entity involved. While this toolkit offers a guide tailored to community foundations navigating policy change, this appendix provides an overview of three policy change models for a broader context. These models are from the Centers for Disease Control and Prevention (CDC), Paul Cairney, and John W. Kingdon. They present helpful considerations as you think about the role you want to play in a policy change process and what it would take to get the policy enacted.

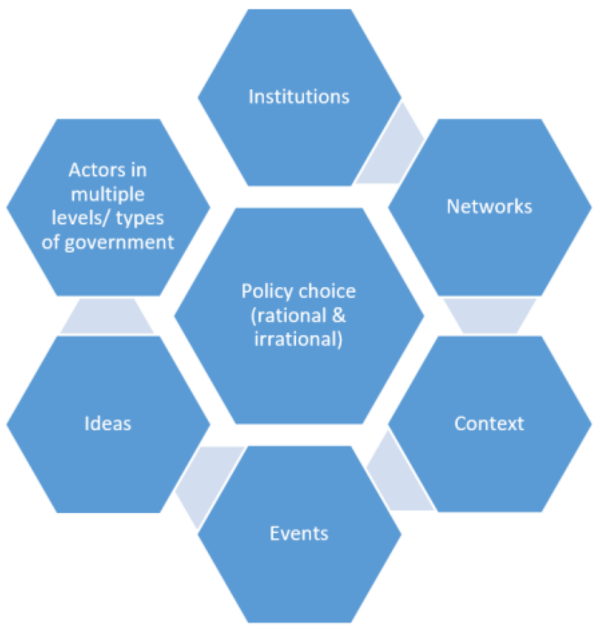
FIGURE A.1
The Centers for Disease Control and Prevention's Policy Change Model

Source: "The CDC Policy Process," Centers for Disease Control and Prevention, last reviewed January 2, 2019, https://www.cdc.gov/policy/polaris/policyprocess/index.html. Used with permission.

The CDC model follows a five-step process: (1) problem identification, (2) policy analysis, (3) strategy and policy development, (4) policy enactment, and (5) policy implementation (figure A.1). In addition to these steps, the CDC recommends continuous evaluation and centering stakeholder engagement and education. The strength of this model is that it presents policymaking as a linear process, with a set of logical steps that anyone can follow to research a particular policy and create policy change. But its weakness is that based on discussions with policymakers, policy change rarely occurs in such a clean, linear process.

FIGURE A.2

Paul Cairney's Policy Change Model

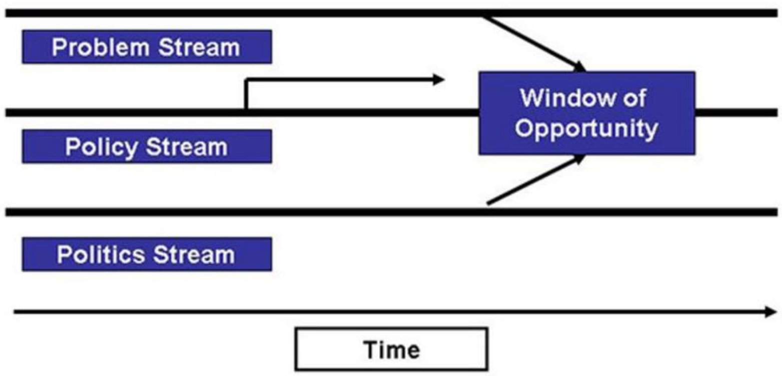


Source: Paul Cairney, "5 Images of the Policy Process," *Paul Cairney: Politics & Public Policy* (blog), July 10, 2017, https://paulcairney.wordpress.com/2017/07/10/5-images-of-the-policy-process/. Used with permission.

The model by Australian scholar Paul Cairney centers policy choice, uniquely considering both the rational and irrational choices that policymakers make (figure A.2). Unlike the stepwise process by the CDC, this model highlights the key components within the policy change process—specifically the institutions, networks, context, events, ideas, and actors in multiple levels/types of government—that have the potential to influence a policymaker's choice. Anytime there is an opportunity to make a change, at the very center of the process is a policymaker's choice, one that will be made either rationally (using facts and evidence) or irrationally (using emotions or other motivations). This choice is affected by all those surrounding components. For example, every policymaker works within an institution, and institutions have formal, written rules and informal rules. These rules, as well as beliefs and existing paradigms, affect policymaker's choice. The strength of this model is that it more accurately represents what local policymakers have said about the policymaking process; that is, it reflects the reality that much policy is made reactively based on a set of influences. But its weakness is that it does not depict how policies come to be identified and created.

FIGURE A.3

John W. Kingdon's Policy Change Model



Source: John W. Kingdon, *Agendas, Alternatives, and Public Policies* (Boston: Little, Brown and Company, 1984). Used with permission.

John W. Kingdon's "streams" model, perhaps one of the most well-known models for policy change, emphasizes that for change to occur, the problem, policy, and politics streams must all come together in a window of opportunity (figure A.3). The problem stream is opportune when a community widely agrees that there is a shared problem. The policy stream is opportune when there is a policy solution (or several) readily available to be implemented. The politics stream is opportune when the political environment is conducive to change, making the policy solutions feasibly implementable. The strength of this model is that it focuses on the conditions needed for policy change, rather than attempting to paint an ideal picture of how policy change occurs. But its weaknesses are that it does not depict the steps one would need to take to identify and implement policy change, nor does it contextualize a policymaker's choice.

Appendix B: Community Foundation Roles in Policy Change

Adapted with permission from BoardSource.

Use table B.1 to assess your community foundation's policy change capacity. Which roles does your foundation perform well? Place a checkmark in each row based on where you believe your foundation falls.

TABLE B.1

Community Foundation Policy Change Capacity Assessment

	Our foundation does this, and we are confident in how we play this role	Our foundation does this, but we would love to learn more about this role	Our foundation does not do this, but we would love to learn more about this role	Our foundation does not do this, and we do not want to or cannot play this role
CONVENER: Bring government, nonprofit, foundation, and business together to address issues of importance.				
EDUCATOR: Raise awareness of policy matters with the general public, media, and policymakers.				
CAPACITY BUILDER: Provide training for foundation staff, board members, grantees on policy advocacy, working in coalitions, lobbying laws, and effective communications with policymakers.				
FUNDER: Fund advocacy and legal lobbying activities and coordinate with other funders.				

CHAMPION: Be a loud and frequent voice, internally and externally, for the policy work of grantees.	
DONOR ENGAGEMENT: Engage donors or board members to lend their voice to advocacy.	
RESEARCHER: Publish reports that educate policymakers, the general public, and media on specific policy issues.	
DEFENDER: Engage with and support groups that work to protect the interests of all nonprofits and defend against state and federal policy threats on core issues (e.g., regulation, tax policy, independent decisionmaking), including filing lawsuits or writing amicus briefs.	
PARTNER: Join coalitions that are working toward systems changes at the local, state, and/or federal levels.	

Source: Adapted with permission from BoardSource. For more information on BoardSource, visit www.boardsource.org or call 202-349-2500. Content may not be reproduced without written permission from BoardSource.

Appendix C: Lead, Join, or Fund Scenario Group Exercise

Scenario 1: Funders

Your team works for the Urban Futures Foundation in Springfield, Massachusetts. Create a five-minute pitch for the board to fund $100,000 to a local initiative working to introduce a livable wage ordinance in Springfield. In your pitch, in addition to the Urban Futures Foundation's mission statement, vision, and values, consider the following:

- Why would your community foundation fund an initiative rather than leading or joining a coalition working on this?
- What evidence for a livable wage ordinance are you going to include?
- What partnerships should you highlight?
- What challenges or pushback might you expect?

Mission Statement

The Urban Futures Foundation is dedicated to enhancing the quality of life in our region by

- fostering a culture of philanthropy,
- building a sustainable and adaptable endowment,
- identifying and addressing emerging and evolving needs,
- acting as a resource, catalyst, and coordinator for charitable initiatives, and
- ensuring efficient management of charitable funds.

Vision

The Urban Futures Foundation aims to be a driving force for positive regional transformation. By partnering with other organizations, cultivating flexible endowments, and strategically using resources, we work to solve problems and promote the common good. Our vision is to create a thriving, collaborative, and generous region where everyone has opportunities. We adopt a focused, results-oriented approach, positioning ourselves as a central hub for civic engagement and a lasting resource for the community.

Values

- **Innovation:** We believe that finding imaginative solutions that inspire lasting change often requires bold and innovative thinking and action.
- **Collaboration:** We believe that by working together, we can leverage the resources of diverse partners to maximize our organizational capacity and community impact.
- **Equity:** We believe that equity fosters an environment of trust and respect with fair, transparent, and inclusive systems that lead to more effective practices.
- **Integrity:** We believe that integrity is the cornerstone of relationships, where commitments are honored and the spirit of generosity flourish.
- **Strategy:** We believe that strategic thinking and action keep us focused and efficient to move purposefully toward our shared vision.

Scenario 2: Joiners

Your team works for the Pacific Coastal Community Trust in California. Create a five-minute pitch for the board to join a national collaborative effort with the PolicyLink's All-In Cities Initiative to introduce and advocate for a livable wage ordinance in the state. In your pitch, in addition to the Pacific Coastal Community Trust's mission statement, vision, and values, consider the following:

- What evidence for a livable wage ordinance are you going to include?
- What partnerships should you highlight?
- What challenges or pushback might you expect?

Mission Statement

Our mission is to transform our community through dedicated leadership that promotes collaboration, builds sustainable endowment, advances equity, and connects caring individuals to meaningful causes.

Vision

We envision a vibrant community where everyone can thrive, feel connected, and have the opportunity to reach their fullest potential.

Values

- **Purposeful leadership:** We are committed to taking bold, strategic actions as a champion for a more vibrant and prosperous community for all.
- **Embrace diversity:** We value diversity, stand for equity, and foster inclusion within our organization and throughout our community.
- **Foster collaboration:** We create dynamic partnerships with community stakeholders and develop innovative solutions to address our community's most pressing challenges.
- **Promote philanthropy:** We collaborate with visionary residents to cultivate lasting philanthropy that benefits our community for future generations.
- **Adapt and share:** We continuously evolve and grow to meet the changing needs of our community, while listening, learning, and sharing knowledge.

Scenario 3: Leaders

Your team works for the Appalachian Growth and Renewal Foundation in West Virginia. Create a five-minute pitch for the board to lead an initiative to advocate for a livable wage ordinance for communities in rural West Virginia. In your pitch, in addition to the Appalachian Growth and Renewal Foundation's mission statement, vision, and values, consider the following:

- What evidence for a livable wage ordinance are you going to include?
- What partnerships should you highlight?
- What challenges or pushback might you expect?

Mission Statement

We connect, fund, and advocate for ideas and people to inspire resourcefulness and move rural places forward.

Vision

We envision rural West Virginia as a place that welcomes diversity, addresses injustice, and embraces change to create a sustainable and equitable future.

Values

- **We love rural:** We choose to live where people and land depend on each other. Our work and friendships bridge the distances we face. When challenges arrive, we lend a hand to get things done.
- **Courage through change:** We call attention to disparity. We think deeply and critically about solutions. We take wise, creative approaches confidently to meet the future.
- **Lead with compassion:** We see our neighbors' lives up close. We advocate for and with people who are not often heard. They inspire us to build communities where respect, harmony, and integrity flourish.
- **Seeds for the future:** We learn from the past. We grow and sustain the resources in our care. We carry our founder's community-minded spirit as we care for the future.

Appendix D: Researching the Problem Worksheet

This worksheet is designed to help you gather crucial data and resources related to your specific mobility and equity challenge. Partner with someone at your foundation who has experience identifying and analyzing community data or consider working with a local university or research organization to help you. The worksheet has two key sections:

1. **Resources in the field key:** Record details about the organizations, researchers, and other stakeholders actively involved in the policy area of interest. This section will identify key players and potential collaborators who can help you have a nuanced understanding of your local mobility and equity challenge.
2. **Data collection sheet:** This sheet is designed to capture relevant data sources that can help you build a deeper understanding of the problem you are addressing. Efficient data collection is crucial for effective decisionmaking. Please ensure that you fill out the information thoughtfully and accurately. If there is someone who is better equipped to do this research at your foundation, complete this sheet in partnership with that person.

Resources in the Field Key

In the table below, fill in each row with a single resource entry and the columns with relevant details.

- **Organization/stakeholder name:** Add the name of an organization, researcher, or stakeholder working in your policy area of interest.
- **Resource type:** Note whether the listed resource is an organization, researcher, or other type of stakeholder.
- **Organization type:** Categorize each entity as an NGO (nongovernmental organization), government agency, research institute, community group, private company, and so on.
- **Contact information:** Include contact details, such as email addresses, phone numbers, and official websites.
- **Current projects/initiatives:** Note any ongoing projects or initiatives that the entity is currently involved in that is related to the policy area of interest.
- **Collaboration potential:** Assess the potential for collaboration with each entity. Are they open to partnerships or joint initiatives?
- **Geographic focus:** If relevant, specify the geographic area or region where the entity operates or focuses their efforts on.

- **Reputation/influence:** Subjectively appraise the entity's reputation and influence in the policy area. This could be based on their track record, status as unbiased researchers, partnerships, or standing in the community.
- **Notes/comments:** Add any additional notes, comments, or observations about the entity that might be useful in the future.

Organization/ Stakeholder Name	Resource Type	Organization Type	Contact Information	Current Projects/ Initiatives	Collaboration Potential (low, moderate, high)	Geographic Focus	Reputation/ Influence	Notes/ Comments

Data Collection Sheet

In the table below, fill in each row with a single resource entry and the columns with relevant details.

- **Resource title:** Provide the title of the resource or report.
- **Resource host/parent organization:** Enter the name of the organization responsible for hosting or publishing the resource.
- **Authors:** List the names of the authors or contributors of the resource.
- **Date published:** Indicate the date when the resource was published or released.

- **Data type:** Specify whether the resource primarily contains qualitative or quantitative data, or whether it includes a mix of both.
- **How local is the data:** Describe the geographical scope or locality of the data presented in the resource.
- **What is the resource measuring:** Describe what the resource is measuring.
- **Social and racial disparities:** Describe the disparities highlighted in the data.
- **Major findings:** Summarize the primary conclusions and significant findings in the resource.
- **Stakeholders and compelling information:** Identify the stakeholders who would find the information in the resource most compelling and explain the reasons for their interest.
- **New insights:** Analyze whether the resource adds any new insights or perspectives to the existing understanding of the policy issue.
- **Notes/comments:** Add any additional notes, comments, or observations about the resource that might be useful.
- **URL:** Provide the link to the website or source location of the resource for easy access and reference.

Resource Title	Resource Host/Parent Organization	Authors	Date Published	Data Type	How Local Is the Data	What Is the Resource Measuring	Social and Racial Disparities	Major Findings	Stakeholders and Compelling Information	New Insights	Notes/ Comments	URL

Appendix E: Writing Your Rationale for Action

Step 1

Answer the questions below to draft notes about the different components needed in your rationale for action. Then compose your full rationale.

1. What is the problem that needs to be addressed in your community?
2. What are the relevant root causes of the problem? How do you know that these are the root causes?
3. What data and evidence do you have about the scope of the problem?
4. Why have previous efforts to address this problem not worked?
5. Why is now the right time to act?
6. What would you expect to see if the problem were adequately addressed?

Step 2

Draft your full rationale for action. If needed, create multiple versions of the rationale for different audiences. If your community foundation already has a rationale for action, you may use it; but ensure that it contains all six elements listed above. If it is missing any of the elements, please add them.

Who is the audience for your rationale? When drafting your rationale, it is important that you consider what voice and language best suit the audience you are hoping to convince. Is your intended audience the general public? Your foundation board or donor-advised fund? Community partners? Donors? Consider what level of technical language, details, and ideas would make the rationale most accessible and persuasive to that audience.

Appendix F: The Fairfield County's Community Foundation Rationale for Action

Written by Elaine Minz and Chinedum Nnodum of the Fairfield County's Community Foundation.

Raising a child in Connecticut is more expensive than almost anywhere else in the country. Connecticut is one of only two states with a state-level income tax that does not offer any tax breaks, like a child exemption or deduction, specifically designed to ease the financial burden of raising children. Connecticut consistently ranks among the top five most expensive states for childcare (the single largest expense in most family budgets), at an average of $16,990 a year. A permanent Connecticut Child Tax Credit (CT CTC) fills a critical gap for families, the center of Connecticut's workforce, who are struggling with the high costs of household essentials and childcare. The CT CTC provides tangible benefits for middle- and lower-income families to help offset the high costs of raising kids in our state. The design of the CT CTC reaches a broad base of families and is particularly impactful for Black, Latino, and other historically marginalized people who face disproportionate and considerable economic hardship.

Connecticut's childcare issues are heavily influenced by three key factors:

- Connecticut has an exceptionally high level of economic inequality
- Connecticut has an unfair tax system
- Connecticut has an unfair spending system

Connecticut's exceptionally high level of economic inequality contributes to poverty and makes it more difficult for low- and middle-income families to make ends meet. Connecticut's unfair tax system exacerbates economic inequality and poverty and, at the same time, funds Connecticut's unfair spending system, which was recently locked into place for several years.

As of 2021, the latest year data available, Connecticut has the third highest level of pre-tax income inequality out of all 50 states during a period of historic income inequality in the US as a whole, and the state also has substantial pre-tax racial and ethnic income gaps that tend to result in higher levels of income inequality for families of color. Low- and middle-income families pay a higher percentage of their income in state and local taxes (i.e., they have higher effective tax rates) compared to high-income and wealthy families. For example, according to the most recent tax incidence report from the DRS [Department of Revenue Services], families making less than about $45,000 have an average effective state and local tax rate of 25.96 percent, whereas families making more than about $8 million have an average effective state and local tax rate of 6.64 percent. Connecticut's unfair tax system in turn increases the state's already high level of income inequality and substantial racial and ethnic income gaps, which further contribute to poverty and make it more difficult for low- and middle-income families to make ends meet. Also important, Connecticut's tax system is especially unfair for families with children; it costs an average of about $17,000 a year to raise a child in the Northeast, and yet Connecticut is the only high cost of living state in the US with an independent income tax that does not specifically adjust for family size or childcare expenses to help offset the high cost of raising children. The high level of spending required to service long-term obligations that past generations insufficiently funded limits spending on public services and investments that support the current generation of low- and middle-income families. Notwithstanding the unfairness of the state's spending system from an intergenerational perspective, recently passed legislation will work to keep the system in place for at least 5 more years and possibly 10 more years through the extension of the bond lock.

Past efforts to create a CTC in Connecticut were successful; however, the credit was only temporary. Currently, it is an issue of sufficient political will to convert the CTC into a permanent, refundable state program.

An estimated 80 percent of eligible Connecticut families applied for the 2022 Child Tax Rebate during the application period, June 1 to July 31, 2022. The temporary rebate was implemented as an opt-in, application-based benefit that provided a fully refundable benefit of up to $250/child for up to three children for filers with $100,000 adjusted gross income or less (single filers) or $200,000 AGI or less (joint filers). During the application window, the Connecticut DRS received 238,668 Connecticut Child Tax Rebate applications reporting 369,863 dependents. Connecticut Child Tax Rebate uptake was widespread across the state, including rural and suburban communities. The most recent ALICE report for Connecticut reflects that nearly 40 percent of households—about half a million families in our state—were struggling to make ends meet before the COVID public health emergency.*

* ALICE is a term created by the United Way, which stands for Asset Limited, Income Constrained, Employed. It represents the increasing number of individuals and families who work but are unable to meet their basic needs, including food, childcare, housing, health care, and transportation. For more information, visit https://alice.ctunitedway.org/downloadreport/.

This effort aligns with our mission to partner with our community to create a Fairfield County where every person has an equitable opportunity to thrive. Fairfield County's Community Foundation is uniquely positioned to advance economic equity by leveraging community and financial resources to tackle these challenges. Our work includes:

- **Investing in transformative solutions:** We co-invest with other funders on programs that support workforce development and have developed scalable models like the Family Economic Security Program.
- **Influencing policy:** We advocate for state legislation and engage in advisory work to narrow the racial wealth gap.

Establishing a Connecticut Child Tax Credit is good for businesses, workers, and the entire community. A CT CTC will support local economies by putting more money back into local consumer households; for every CTC dollar a recipient earns, they return $1.38 to the economy, supporting not only their families but also their local economies and communities. Research demonstrates that low-income households consistently spend the majority of their CTC funds to cover debts, such as back-due utility payments; meet basic needs; or invest in improving their housing, health care, or nutrition.

It will also have another effect: an immediate investment in families equals an investment in Connecticut's financial workforce. Middle-income families drive the Connecticut economy and the Connecticut workforce. Investing in the Connecticut Child Tax Credit is part of the solution to achieve stability and long-term growth. The CT CTC provides families with an incentive to stay in Connecticut or relocate to Connecticut.

Sources:

Connecticut United Ways. 2023. *Connecticut Child Tax Credit: A Permanent Solution Supporting Connecticut Families to Make Ends Meet*. Connecticut United Ways, Connecticut Nonprofit Child Tax Credit Coalition.

Patrick R. O'Brien. 2023. *Cost and Distributional Estimates of the Governor's Major Tax Proposals for FY 2024–FY 2025.* New Haven: Connecticut Voices for Children.

BOX F.1

REFLECTIONS ON THEIR ONGOING POLICY CHANGE PROCESS

By Elaine Minz, Vice President, Strategy & External Relations, Fairfield County's Community Foundation; and Chinedum Nnodum, Director, Community Strategies, Fairfield County's Community Foundation

The policy change process was crucial for Fairfield County's Community Foundation (FCCF) to refine our approach to advocating for a permanent child tax credit (CTC) in Connecticut. It enabled us to develop a coherent rationale for action by synthesizing extensive research and data on this significant tax reform. Using this rationale, FCCF submitted testimony in support of establishing the CTC. Additionally, we set public policy priorities based on our strategic pillars for equity and the policies championed by our grantees. For each of our policy priorities, we crafted a rationale for action, which was used in public testimony and lobbying efforts.

We hosted a breakfast for state legislators, which highlighted our policy priorities and strengthened relationships with decisionmakers. Although we were unsuccessful in passing the CTC into law this legislative session (because of biennium budget constraints and fiscal guardrails established in 2017), we remain confident that the CTC will be a top issue in next year's legislative session. We plan to apply the lessons learned from this year's advocacy efforts in the upcoming session.

Through this process, we gained insight into the various levers available to community foundations to influence policy change and the flexibility we have compared to private foundations. The initial four sessions helped us define our policy priorities, support our advocacy grantees, and build a compelling case for the policies we endorse. The subsequent sessions provided us with strategies to be direct and concise when engaging lawmakers and potential allies about our supported policies.

Appendix G: Policy Assessment Worksheet

What is the new policy or policy change your foundation is interested in pursuing?

What is your jurisdiction's current policy in this area? Please include any details about who is impacted by this policy.

Why is your foundation interested in pursuing this policy? What data and evidence do you have that this change is needed? What impacts do you hope to make?

Is there an associated federal policy for this policy area? Does federal law preempt municipalities from making changes locally regarding this policy?

Is there an associated state policy for this policy area? Does state law preempt municipalities from making changes locally regarding this policy?

List examples of other municipalities that have enacted the policy you are hoping to advocate in your community. Include the specific law/language used or a link to the policy.

List any examples of model policies found in research or gray literature. If you are not able to find an example, list any criteria or characteristics that the research says a model policy should have.

Appendix H: Rationale for Action Elevator Pitch Exercise

Who You Are

This exercise is intended for toolkit users who

- have not been able to finish a rationale for action,
- have finished the rationale for action but want to strengthen their verbal communication to an array of internal and external audiences, or
- want to work on verbally communicating the importance of policy change.

Goals

By the end of this exercise session, you will be able to

- create an audience tailored, two-minute verbal pitch for a rationale for action to affect policy change,
- present a rationale for action pitch in front of peers for feedback, and
- listen to peers' rationale for action and provide feedback.

Part 1

A rationale is when you are asked to give the reasoning or justification for an action or a choice you made or plan to make. There is a focus on the why in a rationale: why you chose to do, study, or focus on something. A rationale for action is a set of statements of purpose and significance, and it often addresses a gap or a need.

- **Audience:** Who is your audience? Are they internal or external to your organization? How much power do they hold? Have they talked in favor of this particular action or similar actions? What is important/moving for them?

Part 2

Keeping your audience in mind, try to jot down as many speaking points as possible by considering the following rationale for action questions:

- What is the problem? Who is experiencing the problem?
- What are the root causes of the problem? Who is benefiting from the status quo?
- What data or evidence do we have about the problem? What are we missing?
- Why have previous (external and/or internal) efforts not worked? What roadblocks do we foresee?
- Why is now the right time to act? Is now the window of change? If not, when?
- Why should we get involved? How does this align with our values, goals, resources, and capacity?
- What would we expect to see if we were to adequately address the problem? What would a measure of success look like?

Part 3

Reflect on what was easy or difficult about this exercise. Which questions were you particularly quick or slow to answer? What information do you still need? What points were particularly compelling? Jot down your reflections.

Part 4

With the information you have, create a two-minute elevator pitch using the following prompts:

- the problem/what we know
- why the audience should care
- the action
- the end goal

Appendix I: Policy Ecosystem Mapping

This worksheet is designed to walk you through an exercise that will allow you to identify the various forces that affect your policy change ambitions within your community ecosystem and how to overcome them.

First, name the policy change you want to make in the blue policy box below:

Responsible Actors

Brainstorm a list of actors that are involved in this policy issue. Put one actor per cell.

Who in your community cares about this issue?

Brainstorm a list of forces that are at play in this policy issue. Put one force per cell.

What forces could create action or inaction on this issue?

For each of the forces and actors you identified, copy them into the boxes below according to the following categories:

- For forces and actors that are **Allies** to your intended policy change, place them
  - on the left side of the box if they have **Influence** in the policy, or
  - on the right side of the box if they are responsible for **Implementing** the policy.

  (Note that, in this case, implementing means both passing the policy and implementing the policy once it is passed.)

- For forces and actors that are **Opponents** to your intended policy change, place them
  - on the left side of the box if they are **more powerful**, or
  - on the right side of the box if they are less powerful or **hold less sway**.

Allies

What are the forces that support your efforts (e.g., momentum, public support, budget constraints, political climate)?

INFLUENCE	**IMPLEMENTATION**

Opponents

Who are the actors that control the influence to oppose your policy option? What other actors are involved in this issue?

MORE POWERFUL	**HOLD LESS SWAY**

Equity Implications

How can this policy option ensure equity or equitable benefits? Provide three or more answers.

Community's Role and Perspectives

How does the general public feel about this policy option? What role could they play in supporting or opposing it? Who might be missing from the conversation? Provide three or more answers.

Appendix J: Policy Ecosystem Memo

As you develop your policy change campaign, a policy ecosystem memo will help direct strategic decisions, outreach, and partnerships by highlighting key stakeholders, broader power dynamics, and potential risks. Use the following questions to guide you in writing a policy ecosystem memo for your community.

- What is the policy solution you are putting forth? How does it address the root causes and problems that you have identified in your rationale?
- How does the policy solution serve your target population? Who will the policy miss? What other systems changes might be needed to serve that population?
- What role will your community foundation play in this policy change campaign? Why?
- What partners will you engage as allies?
- Will you try to engage any of your opponents? If not, do you anticipate needing to do anything to counteract their efforts?
- What window of opportunity will you leverage?
- What would you expect to see if the problem were adequately addressed?
    - For the target population?
    - For the system?

Appendix K: Policy Change Campaign Template

This policy change campaign template represents the fifth and final step in the strategic policy advocacy engagement process. While this resource can be used as a stand-alone tool for your policy change efforts, you should familiarize yourself with the recommended processes in previous four steps. It will not only enrich your use of this template but also empower you to navigate the intricacies of your policy change campaign with informed precision and strategic impact.

What Is a Policy Change Campaign?

The policy change campaign lays out a process for *how* your foundation will get your selected policy passed. Specifically, it

- acknowledges barriers or roadblocks and addresses how your team will attempt to overcome those barriers,
- describes the policy change campaign activities your foundation will undertake,
- outlines the key steps needed to advance the policy change campaign and the actors responsible for leading those steps,
- sets milestones for policy adoption, and
- identifies measures of success.

As a tactical plan, the policy change campaign is intended to be an internal document and should not be shared outside of your foundation.

Step 1: Assess Your Barriers or Roadblocks

Certain policy change factors may inhibit or block you from getting your selected policy passed, such as coalition strength, politics, election cycles, public perception, and advocacy budgets. Acknowledging those barriers up front and proactively considering how to overcome or address them are crucial to getting your selected policy passed. List what the barriers might be and how you can proactively plan to overcome them.

Barrier	How to Overcome This Barrier
Example: City councilor support; two council members are against our desired policy change.	*Example:* We will organize a letter-writing campaign with residents and nonprofits in the two districts to try to persuade the city councilors to vote in our policy's favor.

Step 2: Describe Your Policy Change Campaign Activities

Policy change campaign activities are the specific actions the foundation will take to advance your policy change agenda. You should draw from the roles/capacities discussed in step 1 but go one step further to add more specificity to the actions. For example, rather than saying that you will "convene key stakeholders," you might list who the stakeholders are, such as "convene members of the city's financial empowerment offices, the county's benefits program offices, and financial well-being nonprofits to discuss key shared policy priorities."

- Activity 1
  - *Example:* Draft a social media plan for sharing the foundation's policy priority with the general public.
- Activity 2
- Activity 3

Step 3: Create an Action Plan

Using the activities listed in step 2, sketch out a more detailed action plan for executing your policy change campaign. To build your action plan, you should assign activities to specific people and include a timeline by when the activities need to be completed. You should also include anyone who needs to sign off or approve certain steps or activities. You might consider using a responsibility assignment matrix (table K.1) or other similar project management tool to assign responsibilities.

TABLE K.1
Responsibility Assignment Matrix

Activity	Responsible	Accountable	Consulted	Informed	Deadline
Example: Draft a social media plan for sharing the foundation's policy priority with the public.	Tania	Jill	Randall	Lateesha	February 1, 2024

Notes

[1] For policy work, the term "foundation" is inclusive of its board of directors whose concurrence/authorization is likely needed prior to external facing engagement, communications, and actions.

[2] "Lobbying," Internal Revenue Service, last reviewed or updated August 20, 2024, https://www.irs.gov/charities-non-profits/lobbying#:~:text=In%20general%2C%20no%20organization%20may,loss%20of%20tax%2Dexempt%20status.

[3] "Lobbying," Internal Revenue Service.

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