

LifeWorks: From Crisis to Success in Austin

How does a multi-purpose human service agency make tradeoffs when funding changes? The answer, at Lifeworks, is in being deliberate – thinking not just about whether a program has impact, but rigorously, relentlessly examining the relative value of various programs vis-à-vis resources and needs.

In Austin, Texas, LifeWorks is an \$8 million, multifaceted human services organization providing support as youth and families “transition from crisis to safety and success”¹. This dynamic, well-respected product of a merger provides an array of services for homeless, runaway and foster youth; counseling to individuals and families; and prevention programs for at-risk school-age youth. It is a strong advocacy voice for the needs of at-risk children and families, and enjoys a leadership role in the human service community.

LifeWorks’ core management challenge is maintaining funding for 14 programs while remaining faithful to the organization’s mission. With so many programs within one organization, LifeWorks must regularly address its image in the public eye. Additionally, with such a diverse client base, the organization must also evaluate if it is keeping up with the needs of the populations it serves.

Current Executive Director, Susan McDowell, was one of the directors in one of the original smaller groups that became part of LifeWorks. She moved into a management role in the combined entity under the founding executive director (and former 3M executive) Bill McClellan in 1998 and took over the entire organization when McClellan retired.

McDowell began nonprofit work when she moved to Austin to work on a graduate degree in philosophy. She started by volunteering and then working at Literacy Austin. McDowell then became the director of the Teenage Parent Council of Austin -- a small organization with a half-million dollar budget and a twelve-person staff. Shortly after she started working with the council, she was invited to a series of informal lunches with directors of other organizations in Austin that served overlapping clientele. Together they developed the idea to merge organizations and resources.

Since she became LifeWorks’ executive director in 2001, McDowell has won awards for her leadership². She has been praised for using her business sense to run a nonprofit: “Susan has a passion for her work. She has shown that she can lead a \$7.3 million agency with the financial skill often attributed men and with the compassion often attributed women. That’s what makes her a stronger leader,” said Judith Manriquez of GX Creative Communications.

One of McDowell’s challenges is to guide LifeWorks in annual budgeting – a process that reflects strategic planning, funding and the current challenges of service and staffing. Each year she takes a detailed budget – developed by staff – to the Finance Committee of the Board,

¹ Lifeworks mission statement, www.lifeworksweb.org

² Social Entrepreneur of the Year, Silverton Foundation 2005, Austinite of the Year, Austin Under 40, 2004

and leads a process of detailed discussions to obtain final approval of the budget for the year ahead– which becomes the organization’s major tool for management decision-making, fundraising, accountability, and growth. Each year she brings these voices together to make decisions about the best program mix to meet mission, maximize impact and use resources wisely.

HISTORY

LifeWorks emerged in 1998 after four of the six organizations that made up the Youth and Family Alliance in Austin merged. The directors of the organizations in the alliance had begun discussing the possibilities of combining services due to “shrinking government dollars for social services, increasing community need for the services they provided and all indications that this increased need would not be abating any time soon.”³ They recognized that their clients encountered problems and barriers when they needed services, including the need to make multiple phone calls for various appointments, transportation to different locations scattered throughout the city, different hours of operation, filling out multiple forms and fulfilling different requirements to access services. They felt that a more collaborative or combined approach would benefit both the organizations and the clients. The process took about two years of “relentless” meetings, research, planning, and discussions that occurred at many different levels in which staff, clients and the boards of each organization were involved.

Although the organizations in the alliance shared similar missions and worked with overlapping constituencies, each organization had a distinct culture and distinct advocacy position vis-à-vis client groups, needs and methods of service. Initial meetings were tentative, acknowledging that the challenge would be to forge a shared vision, and that some of the original Alliance members might not choose to participate.

In 1998 Child and Family Services, Pathways Community Counseling, Teenage and Parent Counseling and Youth Options pooled their resources and became LifeWorks. Initially, the combined agency organized its services in four areas: consumer credit counseling, mental health counseling, life skills training and prevention programs. Over time, some programs, for example the consumer credit counseling, were phased out, and the merged organization has realigned services based on client groups, rather than treatment approaches.

LIFEWORKS TODAY

LifeWorks lives by its mission “to transition youth and families from crisis to safety and success.” The organization serves more than 10,000 families annually. As its website states, “LifeWorks’ services to runaway and homeless youth provide a pathway from life on the street to self-sufficiency. Youth development training and opportunity prepare youth to become healthy, successful adults. LifeWorks is also the largest local provider of free and affordable counseling to youth and families.”⁴

³, see Linda Lieberman Baker, April 2000, “Navigating a non-profit merger: Participatory tools for success, the LifeWorks story, International Association of Facilitators, the Art and Mastery of Facilitation – Worlds of Change, Toronto, Ontario, Canada, 2.

⁴ “Believe in Me,” LifeWorks brochure.

The organization employs nearly 180 people, including counseling, administrative, program and development staff. With nine service locations, the organization is present in most areas of the community. LifeWorks owns most of its facilities with the exception of its supportive housing apartment complex and Street Outreach facility. In 2002, LifeWorks embarked on a \$6 million capital campaign to raise funds for the South Austin Youth and Family Resource Center. This facility houses administrative offices, counseling offices and large meeting rooms for programs like GED classes and a youth resource center. The capital campaign also raised funds to double the size of the emergency shelter, establish an endowment and Ben & Jerry's PartnerShop, and created new relationships with donors who have become annual donors to LifeWorks. The success of this campaign has been a significant accomplishment in a community just beginning to strengthen a culture of philanthropy.

CHALLENGES

LifeWorks' ongoing challenge is to balance resources and services. Recognizing the realities of a changing environment (with regard to funding, needs and approaches), LifeWorks conducts strategic planning every 3-5 years to evaluate programs and plan future programs.

New trends in funding, policy and demographics help shape the four-year plan, and subsequently impact every annual business plan and budget. Key trends in the most recent iteration included: (1) privatization of government social programs, (2) an increase in the Spanish-speaking population as well as those who live below the poverty level and (3) changes in state, federal and private sector funding. Additionally LifeWorks leaders realized that funders are seeking accountability and tangible results and look favorably on non-profits that have self-generated income. They also recognize that smaller organizations and more start-up non-profit organizations in the area are competing for funding. Thus the plan, and subsequently management, focus on these needs as they move forward.

Making Strategic Decisions

Many of LifeWorks' programs are vestiges of services that had been developed prior to the 1998 merger. LifeWorks has added five programs to the overall portfolio since the merger: Foster Care Transitional Services, Kids Exchange, the Ben & Jerry's PartnerShop, a divorce-recovery/resolution counseling program and an additional youth program. In contrast, LifeWorks has only terminated two programs - a credit counseling program and a program that was affiliated with an AmeriCorps contract.

Since the merger, the organization has changed its structure and its service priorities, McDowell said. They have been more consistently evaluating programs in terms of their fit with mission and funding implications, streamlining services, strengthening communication to the public and creating a spirit of accountability, connection and pride in its organizational "culture." Although LifeWorks already offers a variety of different programs, McDowell said that because the organization is successful, she is often approached by others in the community with ideas and opportunities for new programs and services. It is challenging to be responsive but realistic about the implications of these ideas to funding, mission scope, and management.

In 2001, McDowell, as part of the strategic planning process, worked with staff to develop a set of strategic filters through which to scrutinize potential and existing projects and programs. The team also developed a “critical issues” plan, identifying what services were critical to their client base and thus to the organization. This process is based on Michel Robert’s *The New Strategic Thinking*⁵, a book intended for for-profit businesses.

The strategic filters focus on whether a proposed or existing project has community support and if the project addresses LifeWorks’ client base of youth and families with limited resources. They ask if the program fits into the current service mix and whether it can be evaluated effectively. The filters probe funding possibilities and issues: Will the cost of services, including administrative and reporting results, be covered? Is the funding sustainable? Is the program cost-effective? Appendix 1 presents LifeWorks’ strategic filters.

These filters provide a structure and discipline for management decisions, especially those related to evaluating potential partnership opportunities, which frequently arise in the community. McDowell said she constantly travels down two roads when evaluating both potential and current programs. One road concerns the mission of the organization and the other deals with its fiscal strength. For example, McDowell said, shelters for homeless and runaway youth are critical. “I would chain myself to the doors of the shelter” if it were in danger of being closed, she said, because there is dramatic need for shelter and counseling. Other services are not so central to the organization.

LifeWorks Programs

The strategic planning process of 2004 impelled McDowell and her staff to re-organize LifeWorks programs into distinct categories: (1) housing and homelessness, (2) counseling (which also includes Kids Exchange) and (3) youth development (a collection of services including educational programs and life skills). The programs of LifeWorks were placed on a continuum of services that reflects the mission to transition youth and families from crisis to success through shelter, safety, support, and success. (This mission/theme is reflected now in marketing as well as management, and shapes the website, fundraising and evaluation.)

The organization also decided to pursue accreditation from the Council on Accreditation for Services to Children and Families⁶ to strengthen the cohesiveness of the merged entity. Sheila Roemisch, LifeWorks’ Director of Quality Assurance, said the decision to pursue accreditation was one of the best the organization has made. For example, she said divisions functioned differently, based on how they operated pre-merger. “The process forced us into an integrated process across the organization,” she said. It pressed them to create policies and procedures as well as streamlining systems like internal communication and paperwork.

Accreditation is the “stamp of approval,” Roemisch said. It is the national best service standards for a nonprofit organization. Everything in the organization must go through the accreditation review, including management, services and development. There are close to 1,000 standards the organization must meet. Only 30 organizations in Texas are currently

⁵ Robert, Michel *New Strategic Thinking* McGraw Hill 2005.

⁶ Council on Accreditation for Services to Children and Families <http://www.coanet.org/front3>

accredited. Please see Appendix 2 for a list of the Council on Accreditation's standards.

Shelter Programs

LifeWorks' Shelter programs are the first step homeless and troubled youth can access to move from crisis situations to a path of success. The four shelter programs are designed intercept runaway and homeless youth from the street in a variety of ways.

"We want the kids to get to know us because we offer so many services," McDowell said. She discussed the importance of establishing a relationship with teenagers because they can transition them from the shelter to a transitional facility. After accessing Shelter programs, teenagers are assigned a case manager who follows them through the continuum of services.

Shelter programs are largely funded through federal awards from the U.S. Department of Health and Human Services and the U.S. Department of Housing and Urban Development. Over half of the \$2 million LifeWorks received from these two agencies between 2003-2005 were allocated to the Street Outreach program, the Transitional Living program, the Supportive Housing program as well as services to runaway and homeless youth. The Shelter programs will cost \$2.3 million in projected expenses in 2007.

Street Outreach

The Street Outreach program offers services to homeless, runaway, and street-dependent youth. The program acknowledges the issues and needs of youth who do not have an adult support system or a permanent shelter. Through the program, youth may access a range of services from washers and dryers, clothing, and food, to education and GED preparation, to immunizations, HIV counseling and testing, and pregnancy testing. The People's Community Clinic in Austin offers basic health care, including health education, immunizations and treatment to teenagers who are involved in the Street Outreach program.

In 2006, the program served over 2,500 meals to homeless and runaway youth with a goal of making over 4,000 contacts with youth who live on the street throughout the year. Youth who make contact with LifeWorks through the Street Outreach program are able to transition into other LifeWorks programs. In 2006, 125 youth entered crisis counseling, 125 youth utilized case management services, 30 youth were placed in transitional housing and 25 found permanent housing.

The 2007 budget for Street Outreach programs is \$355,593, nearly 4.9% of LifeWorks' total budget. A third of the funding for this program comes from the federal government. Additionally, nearly \$62,000 in foundation funds were restricted for this program in 2005.

Emergency Shelter

The LifeWorks Emergency Shelter is the only 24-hour walk-in emergency shelter for youth in and around Austin. Any youth in need may access the emergency shelter and its services. These kids are often the hardest to serve, “but we take anybody,” McDowell said. Youth from 10 to 19, including teen parents, may use the shelter for a place to sleep, food, clothing, medical care, educational services, and counseling.

The shelter housed over 100 youth in 2005 and has already housed nearly 100 youth by mid-year 2006. LifeWorks has a goal to discharge at least 85 % of those youth to stable living environments after leaving the shelter. LifeWorks budgeted over \$1 million for Emergency Shelter in 2007, nearly 13% of the organization’s total budget.

Transitional Living Services

Transitional Living Services is a residential program that can house up to 15 youth at a time. Youth may remain in the program for up to 18 months while they finish school and/or begin employment. While in the program, youth may also take advantage of independent living skills classes, aftercare services, financial support and assistance from LifeWorks staff.

In 2005, 16 youth accessed this program. By mid-year 2006, 32 youth lived in transitional housing, and LifeWorks has a goal of housing at least 50 clients in 2006.

In 2007, LifeWorks budgeted nearly \$497,000 for Transitional Living Services. The U.S. Department of Health and Human Services and the U.S. Department of Housing and Urban Development provided most of the funds for this program in 2005.

Supportive Housing

LifeWorks offers clients subsidized housing, paid utilities and furnishings, financial assistance and on-site management from LifeWorks staff. Supportive Housing program participants are also linked to services such as child care, medical services, education and job training. The program provided 27 youth with supportive housing in 2006. Sixty percent of those in supportive housing were discharged to a stable living situation.

The program has a budget of \$509,491 for 2007. In 2005, LifeWorks received a \$245,900 grant from the Austin Housing Finance Corporation and \$43,723 in grants from a religious coalition for the program.

LifeWorks launched the **Home Improvement Challenge** to help fund the Supportive Housing program in 2005. The fundraiser is a spin-off of the home improvement television programs, McDowell said. Teams from local businesses with professional and student interior designers create individualized atmospheres for residents. The event offers the organization publicity and visibility in the community and is a high-impact opportunity for volunteers on corporate teams. In 2005, LifeWorks received \$150,000 in cash and in-kind donations and the event netted about \$65,000 in donations for the organization.

Safety Programs

LifeWorks offers three prevention programs: pregnancy, violence and substance-abuse prevention and the Teen Parent Services, which focuses on teenagers who have already experienced a pregnancy. These programs are mostly educational in nature. Youth Development expenses for 2005 were \$1,706,140. These programs are funded in a variety of ways - through grants from federal and state agencies as well as local foundations and United Way support.

Adolescent Pregnancy Prevention

In the Adolescent Pregnancy Prevention program, LifeWorks educates students from fourth to eighth grade on issues like stress and peer pressure. LifeWorks works with school counselors to identify program participants and enrolls students who have been flagged with risk indicators, including children who have pregnant teenage siblings, indications of abuse, behavioral problems, etc. The program provides school- and community-based programs and summer camps. LifeWorks receives federal funding for abstinence-based education for this program.

By mid-2006 140 youth participated in the program. LifeWorks plans to serve 215 youth in the program by the end of the year with a goal that 50% of the participants will demonstrate an enhanced capacity to resist peer pressure and make healthy decisions.

LifeWorks' 2007 budget for the program is \$229,000, 3% of the total budget. This program and the following program (Teen Parent Services) receive funding for pregnancy prevention from private foundations and federal agencies. Between 2003-2005, LifeWorks received over \$1 million from the U.S. Department of Health and Human Services for its pregnancy prevention programs.

Teen Parent Services

The third safety program works with expectant/parenting teens to encourage them to finish high school and prevent subsequent pregnancies. Statistics indicate that more than 64 % of teenage parents do not finish high school. The Teen Parent Service program assigns clients case managers who assist with advocating clients' needs including housing, child care, employment, health care and basic needs as well as providing parenting information. LifeWorks works in coalition with several agencies, including the People's Community Clinic's coalition Tandem Project, which addresses the medical, educational and psychosocial needs of pregnant and parenting teens.

In 2006, 120 teenage parents received case management services through the program and 90% of those youth did not have a second pregnancy while involved with LifeWorks. The 2007 budget for Teen Parent Services is over \$550,000, over 6.7% of the organization's overall budget.

Next Step - Substance Abuse and Violence Prevention

The Next Step program involves both substance abuse and violence prevention programs. In 2006, 724 elementary and middle-school students completed the program which social, communication, and problem-solving skills and strategies to handle anger, exceeding the goal of 712 for the entire year. The goal of the program is that 75% of the participants use the skills they learn in the program.

The 2007 budget for Next Step is over \$333,000, about 4% of the organization's overall budget. In 2005, LifeWorks received \$310,820 from the Texas Department of State Health Services for the prevention and treatment of substance abuse.

Support Programs

LifeWorks' Support programs include counseling for youth and adults and resolution counseling for adults along with managing Kids Exchange, a neutral site for divorced parents to exchange their children for visitation. Within the agency, these three support programs are categorized as Counseling programs. They cost a total of \$1.5 million in 2005 and are the only programs of LifeWorks with significant dependence on client fees (charged on a sliding scale).

Youth and Adult Counseling

The Youth and Adult Counseling program focuses on individuals, youth and families and the stress they experience in their daily lives. Participants are encouraged to create effective solutions to deal with issues and problems in their lives and to identify goals for short-term therapy. Nearly 700 individuals and families received counseling by mid-year 2006, with over 80% of those counseled reporting that they were better able to cope with life's stresses.

Youth and Adult Counseling has the largest program budget with over \$1.1 million committed to the program in 2007. This program is also one of the most all-encompassing as clients who are involved in nearly every other program the organization offers can be assigned to a counselor and take advantage of the program.

Resolution Counseling

Resolution Counseling, a unique 21-30 week program that offers group counseling for adults who have been abusive toward their partners. It is an intervention and prevention program with the goal of ending domestic violence and advocating relationships based on equality and respect. Clients in this program are mandated by the judicial system to participate.

By mid-2006, nearly 1,000 men and women participated in the program and nearly 100% of the program's clients successfully completed the program. Eighty-five percent of those who finished the program said they learned to use an alternative to violence in their relationships. The 2007 budget for Resolution Counseling is \$714,458, over 9% of LifeWorks' overall budget.

Kids Exchange

Kids Exchange, though not a counseling program, is included in the Support category of programs because the client base often overlaps, McDowell said. LifeWorks offers a neutral location for the exchange of children between divorced parents as well as a child-friendly site for supervised or controlled visitation. LifeWorks acquired the program in 2005. The acquisition allows LifeWorks to expand the program in order to serve more families, provide participants with opportunities to utilize other LifeWorks service and to leverage government funds and administrative support for the program. In 2006, 220 families used the service for 660 exchanges of children between divorced parents and 157 completed visitations.

LifeWorks received about \$9,000 when Kids Exchange merged with it. Currently, LifeWorks is promoting a Kids Exchange Drive on its website. The organization has already raised \$10,000 in private donations for the program through the drive. 2007 projected expenses for Kids Exchange are \$296,000.

Success Programs

Success programs focus on assisting youth whose contact with LifeWorks began while they were experiencing a crisis situation. GED & Life Skills Training and the Foster Care Transitional Services are examples, as well as Ben & Jerry's PartnerShop, a unique social entrepreneurial effort that is organized as a subsidiary organization of LifeWorks with its own budget, revenues and board of directors.

GED & Life Skills Training

LifeWorks offers youth GED preparation, academic tutoring and life skills/job skills training for youth between 16 and 26 who are identified as having special life circumstances. The program was designed as open entry/open exit, self-paced and flexible enough to accommodate the needs of individual students, offering classes from the fourth- to the twelfth-grade level. Most students remain in the program for about four months. Those students who successfully complete the GED program may then transfer to college, through a partnership with Austin Community College. Additionally, LifeWorks offers youth a job skills program which includes lessons, field trips, guest speakers and skill development activities. Students can learn how to compose a résumé, complete a job application and prepare for an interview, along with basic skills development like typing, filing and computer skills.

Of the 81 students enrolled in the GED program in 2006, 83% are ready to take the test. LifeWorks seeks to enroll at least 200 youth in the program and prepare at least 75 % to pass the exam. LifeWorks has budgeted \$274,128 for the GED program in 2007, 4% of its overall budget.

Foster Care Transitional Services

LifeWorks collaborates with Casey Family Programs⁷ and LifeWorks' Housing Division to serve youth who are transitioning from foster care to independent living in a 30-county area.

⁷ Casey Family Programs were created by Jim Casey, the founder of United Parcel Service, a Seattle-based operating foundation.

Youth who participate in this program have access to many of LifeWorks' other programs.

Of the nearly 400 youth who have received ongoing case management support by mid-2006 through this program to transition from foster care to independence, nearly 80% remain in school or are employed. LifeWorks planned to serve 470 clients in 2006. The Foster Care Transitional Services expense projections are \$930,000 in 2007, 12% of the total budget.

Ben & Jerry's PartnerShop

Although the LifeWorks owns and operates its ice cream store, the ScoopShop, in partnership with Ben & Jerry's, it is not managed like a regular business. Organized as a social enterprise project, this store is a unique blend of mission and money goals. McDowell estimates that the venture will net \$30,000 for the organization in 2006, but it is primarily a job training location for LifeWorks youth. The start-up cost for the program was about \$100,000. In 2005, LifeWorks netted \$80,660 in ScoopShop sales while the program expended \$187,565.

"It's not at all like a business," McDowell said, because as a job training center it is, "inherently more expensive" to run. For example, if it were strictly a for-profit venture, it would hire fewer employees and attempt to reduce turnover. As a job training program, managers employ as many LifeWorks clients as possible. Small considerations like over-scooping the ice cream decreases profits substantially. But because managers are always in a training mode, they have to deal with it. McDowell said many of the costs of the program are absorbed by outside funding with strong foundation interest in a job training program that is run as a business. As with all emerging social ventures in the nonprofit sector these days, she said, there are two bottom lines: the money and the mission.

About 150 youth have completed the ScoopShop program since its May 2005 launch. Youth who participate in this program receive pre-employment and on-the-job training as well as support to transition to career-oriented training, employment outside the ScoopShop, and higher education. "Hands down, it's been worth it," McDowell said. The ScoopShop expenses for 2007 are budgeted at \$478,000.

Evaluating Programs

Human service programs need to document tangible results to sustain or invite funding. McDowell explains evaluation as "tricky":

"The nature of the services [is] vastly different, as are their anticipated results. While it is certainly cheaper to provide group-based services (such as our teen parent support groups) than a night of shelter care, the shelter care may end up saving the public from paying for the youth to spend the night in jail, which is considerably more expensive for tax payers. Additionally, the cost for a particular outcome (obtaining a GED, resolving a family conflict, achieving self-sufficiency) varies widely within each program because the clients come to us with a wide range of strengths, challenges, and complexity of issues."

Evaluating program impact on the basis of which programs attract the most money is of limited value. Based solely on funding opportunities, the Shelter and Prevention programs appear to be the big winners because they receive substantial grants from federal and state agencies for services rendered to homeless and troubled youth (nearly \$2.2 million between 2003-2005). In fact, these programs are largely sustained through federal and state grants.

Although the Ben & Jerry's social venture costs more to run than it yields in sales, LifeWorks has received over a half million dollars in individual pledges for the program in the past few years, more than making up for the difference in revenue and sales. In 2004, LifeWorks received a \$126,000 grant from Impact Austin, a coalition of 126 women donors, for its Ben & Jerry's job training initiative.

The Youth and Adult Counseling program -- the bedrock services requiring the largest budget -- has a more complex funding stream than other LifeWorks programs. Counseling programs receive funding from the United Way, foundations, city, county and state agencies and fees for services rendered. Please see Appendix 4 for more financial information.

Fundraising

Fundraising for an \$8 million nonprofit organization presents many challenges for McDowell and her staff. "The nonprofit sector tends to be process-oriented and risk-adverse. The marketplace reality is that the most successful agencies are those that take non-traditional approaches to servicing clients and generating revenue," McDowell said.

Over 67% of LifeWorks' income is a result of grants and contracts (city, county, and national government). Contributions to the organization make up the second-largest portion of LifeWorks' income at 14%. The United Way adds over a half million dollars per year. The remainder of LifeWorks' revenue comes from organizational fees and non-cash contributions. See Appendix 3 for breakdown of 2004 and 2005 income and expense.

LifeWorks competes with other nonprofits for funding. In Austin, philanthropic and government dollars do not keep pace with needs of a growing city. Austin is blessed with an unusual number of entrepreneurs eager to tackle social and psychological problems that may be focused on small high risk populations more likely to respond to grass roots or faith based outreach. McDowell attempts to attract donors by helping LifeWorks' program directors create clear messages that relate to the overall mission and design targeted marketing for separate programs and distinct funders. For example, during funder site visits, the organization attempts to convey a simple message visually by inviting a potential funder to one site to focus on one service. This process is labor-intensive, but enormously effective, she said. McDowell is savvy about what funders need to know. She is also able to enlist Board members, advisors, volunteers, community partners and supporters, to help solicit and acquire resources.

LifeWorks organizes two special fundraising events per year. The Academy Awards Gala sponsored by Dell, is in its 12th year in 2006. McDowell said that people who attend the gala are not experiencing a high-impact introduction to the organization, like the Home Improvement Challenge in which volunteers work directly with LifeWorks' clients and

programs, but it raised nearly \$400,000 in 2006, up from \$220,000 in 2004. “It’s enormously valuable money. It actually counts for two or three dollars for every dollar we raise,” McDowell said because the money is not restricted to a specific program and can be used as matching funds for grant opportunities.⁸

Listening to Susan McDowell, it’s clear that she goes above and beyond in seeking out ways to attract funds. Lifeworks’ website notes awards this young executive, her staff or the organization as a whole have received. Each award adds visibility and provides evidence of quality management- attributes which attract and retain donors. And McDowell is quite willing to put her own skills on the line for funds – for example her recent win of \$700 in a pancake flipping contest.

⁸ Ruth Laio, “Groups use Oscar night galas,” The Daily Texan, 28 February 2005.

Appendix 1: Lifeworks' Strategic Decision Filters

1. Does it have evidence of community support?

- The need has been defined and documented as urgent by the community
- Avoid duplication with other programs in the community
- Are collaborative partners available for service delivery, advocacy and in-kind support
- Is there political and or policy body support and/or will it increase our political capital
- Is there an opportunity to advocate for the funding and program

2. Does it address the needs of youth and family with limited resources?

- Serves a target population with income below 200% of federal policy guidelines
- Target population resides in low income communities or has no visible means of support

3. Is the opportunity in Travis County or if outside of Travis County, does it meet these additional criteria?

- Will costs of services, including administration, be covered
- Will managing the contract require a disproportionate amount of administrative time

4. Does it involve strengths-based counseling, housing, youth development and/or education needs and enhance our continuum of services?

- Will this service enhance or deepen a range of services for our targeted populations
- Are we experienced at providing this type of service
- Is proposed service a good fit with existing services

5. Can we demonstrate relevant and measurable results?

- Will it fund evaluation to the extent necessary to meet grant requirements
- Do the proposed outcome measures address documented community need
- Do data collection systems exist or can they be developed with funding from the grant
- Will outcomes demonstrate increased knowledge or skill
- Will LifeWorks be more than just the fiscal agent

6. Does it have sustainable funding?

- Will it provide multi-year funding and/or is there opportunity to reapply
- Are multiple funding/additional funding opportunities available
- Does it increase our ability to generate program income or free up current unrestricted funds

7. Can we provide the service cost effectively?

- Will it provide at least 10% of administrative funds
- Will reimbursement be within 90 days of initial spending
- Does the cost per unit of service seem reasonable
- Is it a non-declining funding formula or do we have a plan to address declining funding

8. Does it leverage our areas of excellence?

- Does the service fit with our strengths-based philosophy
- Do we have experience and a strong track record providing this service to the specified client population
- Do we have experience and a relationship with this funding source
- Do we have the finance, management, clinical and IT infrastructure to manage grant submission and implementation requirements
- Can the program/service meet accreditation standards
- Are there enough grant awards available to give us a reasonable probability of getting the grant

9. Do we think we will be one of the most competitive providers of this service?

- Do other organizations that provide this service have deficits or weaknesses that we can effectively address
- Can we demonstrate competitive effectiveness and efficiency
- Are we risking or increasing our political capital by competing for funding for this service

Appendix 2 - Council on Accreditation (COA) Standards⁹

Values

- We believe in the inherent dignity, value, and uniqueness of all people, and that organizations are strengthened by a diversity of ethnicities, cultures, and viewpoints.
- We believe that all persons, families, and communities should receive human services that produce positive outcomes.
- We believe that persons, families, and communities have a right and a responsibility to participate in all levels of decision-making that affect them.
- We believe that accreditation standards should be culturally responsive, evidence-based, innovative, realistic, and conform to best practice principles.
- We believe that all our stakeholders should receive friendly, courteous, prompt, and knowledgeable service.

Organizational Standards

- Ethical Practice, Rights & Responsibilities
- Continuous Quality Improvement
- Organizational Integrity
- Management of Human Resources
- Quality of the Service Environment
- Financial Management
- Training & Supervision
- Intake, Assessment & Service Planning
- Service Delivery
- Behavior Management
- Administration & Risk Management

Service Standards

- Counseling Services
- Case Management Services
- Shelter Services
- Outreach Services
- Supported Community Living Services
- Prevention & Support Services

⁹ <http://www.coastandards.org/>

Appendix 3
LifeWorks Revenue and Expense

Revenues	% of budget		% of budget	
	2005	2005	2004	2004
Grants & Contracts	5,212,962	62%	5,110,953	67%
United Way Contributions	523,176	6%	529,258	7%
Fees for Services	522,629	6%	398,532	5%
Contributions	1,483,684	18%	1,091,010	14%
Noncash Contributions	231,334	3%	129,051	2%
Fundraising	273,297	3%	286,280	4%
Sales - Ben & Jerry's	80,660	1%		0%
Other	25,613	0%	36,690	0%
Investment income	6,940	0%	5,905	0%
TOTAL REVENUE	8,360,295	100%	7,587,679	100%
Expenses	2005	Percent	2004	Percent
Counseling	1,500,662	21%	1,389,971	21%
Housing & Homeless	2,282,156	32%	2,285,953	34%
Youth Development	1,706,140	24%	1,700,373	25%
Ben & Jerry's	187,565	3%		0%
Management & General	968,200	14%	976,551	15%
Fundraising	421,714	6%	375,466	6%
TOTAL EXPENSE	7,066,437	100%	6,728,314	100%

Program	Area	Internal diviision	Expense 2007	% of total budget
Street Outreach	Shelter	Housing/Homeless	\$ 355,593	5.00%
Emergency Shelter	Shelter	Housing/Homeless	\$ 1,012,691	13.00%
Transitional Living Services	Shelter	Housing/Homeless	\$ 486,980	6.00%
Supportive Housing	Shelter	Housing/Homeless	\$ 509,491	6.00%
Adolescent Pregnancy Prevention	Safety	Youth Development	\$ 229,033	3.00%
Substance Abuse & Violence Prevention	Safety	Youth Development	\$ 509,491	6.00%
Teen Parent Services	Safety	Youth Development	\$ 550,433	7.00%
Next Step	Safety	Youth Development	\$ 274,128	3.00%
GED/Lifeskills	Success	Youth Development	\$ 333,018	4.00%
Preparation for Adult Living/Foster Care Transitional Services	Success	Youth Development	\$ 930,426	12.00%
Youth and Adult Counseling	Support	Counseling	\$ 1,111,010	14.00%
Resolution Counseling	Support	Counseling	\$ 714,458	9.00%
Kids Exchange	Support	Counseling	\$ 295,359	4.00%
Ben & Jerry's Partnershop	Success	Subsidiary organization	\$ 478,971	6.00%

LifeWorks 2006/2007 Revenue Projections					
Detail	2007	2006			
Revenue Source	Proposed	Budget	Additions	Reductions	
Federal Funds	1,779,154	1,807,180	120,968	(148,994)	
U.S. DHHS/RHY Basic Center	126,500	126,500	-	-	
U.S. DHHS/RHY Transitional Living	200,000	200,000	-	-	
U.S. DHHS/RHY Street Outreach	100,000	100,000	-	-	
U.S. DHHS/RHY TLS-Pregnant & Parenting	200,000	200,000	-	-	
U.S. DHHS/OAPP/Preg. Prev.	181,405	181,405	-	-	
U.S. DHHS/CARE/Teen Parent Services	350,000	291,667	58,333	-	Full 12 months
TDHS School Breakfast and Lunch	20,000	29,800	-	(9,800)	Discontinue Service at TLS
U.S. DHHS/SAMHSA - HIV	-	87,488	-	(87,488)	Lost funding
U.S. HUD Supportive Housing	215,320	215,320	-	-	
U.S HUD Supportive Housing -SA Subcontr	29,150	29,150	-	-	
U.S. HUD Supportive Housing SO	148,508	148,508	-	-	
City of Austin/HUD/ESGP	-	18,624	-	(18,624)	Moved into City funding
U.S. Dept Labor/WIA/Goodwill	200,000	137,365	62,635	-	Full 12 months
TDHCA ESGP	8,271	41,353	-	(33,082)	Full 12 months
State Funds	2,437,333	2,422,722	171,479	(156,868)	
TDFPS STAR	576,430	556,881	19,449	-	Contract Increased
TDFPS PAL	189,000	189,000	-	-	
TDFPS Aftercare	682,000	591,000	91,000	-	Contract Increased
TCADA YPU, YPS	316,889	316,889	-	-	
Criminal Justice BIPP	75,000	75,337	-	(337)	Corrected Contact Amt
TDFRS/TCJC Shelter Fees	433,308	372,278	61,030	-	Increased Rates
TDFRS TLS Fees	164,706	321,237	-	(156,531)	Only 6 months operation
City and County Funds	878,832	736,922	177,910	(36,000)	
City of Austin/Travis County	853,037	675,127	177,910	-	Increased Contracts
COA-APD-JACS	-	35,000	-	(35,000)	Contract eliminated
City of Round Rock	12,000	13,000	-	(1,000)	Decreased Contract
Travis County Crime Victims Fund	13,795	13,795	-	-	
Client Fees for Service	647,720	613,400	34,320	-	
SHP Client Rents	20,000	20,000	-	-	
YAC Client Fees	104,000	104,000	-	-	
FVDN Client Fees	366,720	335,800	30,920	-	Increased Projection
KE Client Fees	154,000	144,000	10,000	-	Increased Projection
JACS Client Fees	-	9,600	-	(9,600)	Program closing
Ben and Jerry's Sales	271,326	259,078	12,248	-	Includes Special Event
Foundations	-	-	-	-	
Hogg	-	87,500	-	(87,500)	Contact term ending
PPC - St. Davids Foundation	23,694	25,012	-	(1,318)	Decreased Contact
Dell	106,000	106,000	-	-	
Impact Austin	21,600	66,200	-	(44,600)	Contact term ending
AMM-RCH	54,000	51,000	3,000	-	Increased Projection
Other Foundations	408,911	215,000	193,911	-	Increased Projection
Foundation/Corporation	614,205	550,712	196,911	(133,418)	
United Way	524,176	522,376	1,800	-	
Capital Area United Way	518,176	518,176	-	-	
Williamson County UW	6,000	4,200	1,800	-	Increased Projection
Georgetown United Way	-	-	-	-	
Contributions	-	-	-	-	
Pledges Board	-	-	-	-	
Street Outreach Donations	-	-	-	-	
Capital Campaign	32,144	133,936	-	(101,792)	Campaign Ending
Contributions	104,000	112,000	-	(8,000)	Decreased Projections
United Way Designations	13,000	13,000	-	-	
Contributions	149,144	258,936	-	(109,792)	
Events	445,000	354,000	91,000	-	Increased Projections/HIC
Miscellaneous	9,600	12,200	1,200	(3,800)	
Interest/Miscellaneous	9,600	8,400	1,200	-	
Leasing/Insurance Reimbursements	-	3,800	-	(3,800)	Eliminate Reimbursements
Carry Over/In	123,545	124,619	-	(1,074)	
Total Revenue	7,880,035	7,662,145	807,836	(589,946)	2.84% increase
	7,880,035	7,662,145	217,890	217,890	0.028437205

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Lifeworks Income and Expenses by Program

Program	Area	Internal division	Direct Expense 2007*	% of total budget**	Direct Govt funding proposed	Govt Funding source	Fees	Contributions	Direct Income 2007
Street Outreach	Shelter	Housing/Homeless	\$ 311,026	5.00%	\$ 117,150	US DHHS/RHY		\$ 60,000	\$ 177,150
Emergency Shelter	Shelter	Housing/Homeless	\$ 877,476	13.00%	\$ 641,579	TDPRS, HUD/COA/Dept Labor			\$ 641,579
Transitional Living Services	Shelter	Housing/Homeless	\$ 434,024	6.00%	\$ 400,000	US DHHS/RHY, HUD			\$ 400,000
Supportive Housing	Shelter	Housing/Homeless	\$ 465,425	6.00%	\$ 392,978	US HUD	\$ 20,000	\$ 105,000	\$ 517,978
Adolescent Pregnancy Prevention	Safety	Youth Development	\$ 195,258	3.00%	\$ 181,405	US DHHS/RHY			\$ 181,405
Teen Parent Services	Safety	Youth Development	\$ 489,985	7.00%	\$ 200,000			\$ 23,694	\$ 223,694
Next Step (substance abuse and violence prevention)	Safety	Youth Development	\$ 290,215	3.00%	\$ 290,000	TXC Dept of State Health Services			\$ 290,000
GED/Lifeskills	Success	Youth Development	\$ 234,738	4.00%	\$ 20,000	City			\$ 20,000
Preparation for Adult Living/Foster Care Transitional Services	Success	Youth Development	\$ 817,759	12.00%	\$ 383,706	TDPRS/TDHS School Brkft/lunch/etc			\$ 383,706
Youth and Adult Counseling	Support	Counseling	\$ 936,578	14.00%	\$ 576,430		\$ 104,000		\$ 680,430
Resolution Counseling	Support	Counseling	\$ 602,098	9.00%	\$ 88,795		\$ 366,720	\$ 54,000	\$ 509,515
Kids Exchange	Support	Counseling	\$ 248,275	4.00%			\$ 154,000		\$ 154,000
Ben & Jerry's Partnership	Success	Subsidiary organization	\$ 431,882	6.00%	\$ -		\$ 271,326	\$ 21,600	\$ 292,926
Fundraising gala	Money	Fundraising	\$ 135,000					\$ 445,000	\$ 445,000
General/Other	General	General Operating	\$ 1,410,295		1,803,276	Fed, City, County, State		\$ 1,159,375	\$ 2,962,651
TOTAL			\$ 7,880,034		\$ 5,095,319		\$ 916,046	\$ 1,868,669	\$ 7,880,034

* Some general government funds will be used towards services - not fully allocated

** % of total budget distributes indirect costs of fundraising and general across services

Supportive housing contributions include the \$65,000 net for Home Improvement Challenge

Gaps between direct income and direct expense are covered by carry over and/or general operating support

Note: This information was extrapolated from other budget information provided