

CHAPTER 6 IMPLEMENTATION: PRIORITIES AND FUNDING

The poverty reduction plan, described in Chapter 5, mirrors the complexity of poverty and will take persistence and flexibility to carry out. The Plan provides strategies, which lay out the changes in the Northcentral Montana communities and lives of individuals living in poverty, which the Community Ventures Coalition would like to make happen over the next ten years. Decisions on how to make those things happen – i.e. selecting which actions to fund or to support in other ways will need to be made over time, as new information is developed, as actions are evaluated, as the world changes. The setting of priorities is integrally linked to decisions as to what to fund and how and when to fund it. The Coalition, therefore, has developed a financial plan, which is more than a budget, but is also a set of policies, which are ‘decision screens’ or filters to be used now and in the future. The financial plan also makes explicit assumptions about how strategies and actions will be implemented.

In this Chapter, the reader will find a description of the financial policy framework, which has been used to guide the development of the budget, and will guide changes to it over time. This framework sets policies for financial planning for the use of all sources of funds, as well as, a set of guidelines for the use of the Northwest Area Foundation funds, if Northcentral Montana is selected as a partner. Following the Financial Policy Framework, a budget overview and summary is provided. Detailed budget information is included in Appendix F.

Development of the Financial Plan: March – July 2003

A Finance Committee, made up of representatives from each of the seven Strategy Teams and the Steering Committee, met three times by tele-conference and in person to develop policies and guidelines for the financial framework. While they were doing their work, members of the Strategy Teams completed, where possible, Strategy Budget Sheets that outlined costs, use of NWAFF funds, and potential other revenue sources, including in-kind support.

In June, using an on-line survey tool, the Coalition was surveyed to determine the level of support for the specific policies and guidelines and obtain further comment from the Coalition.

The consulting team drafted the initial budget based on the policies set by the Finance Committee and the budgets supplied by Coalition members. The Finance Committee and the Steering Committee reviewed and confirmed this budget in August.

In addition to the budget and financial policies, a database was developed, tracking each strategy, estimated costs, potential funding by type and purpose, and potential funding sources. This will become an ongoing tool for balancing resource use, focusing grant-writing efforts, and managing the overall financial aspects of the Plan.

Financial Policy Framework

The NWAFF has requested a ten-year budget and funding request, which identifies how Northwest Area Foundation dollars will be used, as well as, the source of other funds that at least match, if not exceed, the potential grant from NWAFF. The development of a ten-year budget for a plan as complex and ambitious as the Northcentral Montana Poverty Reduction Plan is in of itself a challenge. The Coalition has approached this effort by defining a set of policies, priorities, and assumptions that are to guide the development of the overall budget and the use of Northwest Area Foundation funds. This financial plan will also be a guide in the event that NWAFF funds are not received, as it includes many other potential sources of funds.

Policies for financial planning for all sources of funds

The financial framework sets nine policies to guide the use of dollars from all potential sources:

- A primary policy of the Coalition is to use NWAFF funds as “seed” money or a magnet to obtain new dollars for planning, services, and development in order to build the capacity of Northcentral Montana and reduce poverty.
- Coalition policy is also to build on and enhance existing services and programs in the region, and to avoid duplication.

- A portion of the budget will be reserved each year to fund new ideas and permit flexible responses to new challenges.
- The financial plan will be guided over time by an ongoing evaluation of process and outcomes.
- There will be an annual review of the budget to review funding priorities for the Coalition, consider new strategies and actions, and take stock based on the ongoing evaluation.
- It is expected that some actions will partially or fully be funded by the NWAFF, while the Coalition will seek and receive money to fully fund other actions without NWAFF dollars.
- It is expected that some actions will be undertaken and managed by organizations or governments participating in the Coalition and not the Coalition itself, and that in many cases, the Coalition role will be limited to providing support, coordination, and a forum for collaboration.
- The ability of the Coalition to reduce poverty in the region rests on following the seven strategic directions, as it is in combination that they will have an effect. Funding over the ten-year period must be directed to all seven, though the level and timing of funding will vary.
- The financial plan will support the reduction of poverty in all corners and areas of the region, irrespective of whether any given community or organization is a strong participant in the Coalition at any given time