What's "Fair" in Funding Criteria?: Allocating Federal Funds for Basic Domestic Violence and Sexual Assault Services

By

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Executive Summary

Federal funding for domestic violence and sexual assault (DV/SA) services passes through state administrative agencies to local service providers. This two-pronged research study focused on (1) learning which criteria NC DV/SA program directors consider most important in a fair funding process and (2) whether/how other states allocate funds for basic DV/SA services. The results showed that service providers in NC believe service quality is the most important criterion to consider when allocating funding and that states struggle to develop processes and criteria that are fair to all service providers.

Background

The Governor's Crime Commission in North Carolina wants to review its process for allocating federal funding for basic domestic violence and sexual assault (DV/SA) services in the state. In May 2009, the GCC created the Work Group on the DV/SA Funding Process under the purview of the Crime Victims Sub-Committee. The GCC requested the work group study what other states consider when developing fair allocation processes for funding basic services with Victims of Crime Act (VOCA) or Violence Against Women Act (VAWA) money.[1] The GCC also wanted to know which funding criteria DV/SA program directors in North Carolina believe should be the priority in a fair funding process.

The processes and systems used to allocate federal funding have implications for service equity across the state. Service providers also must understand funding processes so they can evaluate the reliability of funding streams and plan for the organization's long-term financial sustainability. Using a clear and consistent process in North Carolina could not only increase the GCC's perceived transparency and fairness but will also enable program directors to better plan for their organization's future needs.

Research Question

This study focuses on how states allocate federal funds for basic DV/SA services, specifically whether and/or how selected states fund basic services and what funding criteria DV/SA program officers in North Carolina consider the most fair.

For the purposes of this study, "basic services" includes services such as 24-hour crisis intervention and response, medical and legal advocacy, support, and system coordination. Basic services do not include specialized programs, including community education, support groups or therapy.[2]

Methodology

This research study used two separate methods to gather data from both DV/SA program directors and state administrators overseeing VOCA and VAWA funding allocation to local DV/SA programs. The following table outlines the methodology:

Table 1: Research Study Methodology

	Survey	Interviews
Research population	115 DV/SA program directors in NC	VOCA/VAWA administrators in seven other states
Research question(s)	Which criteria do you consider to be the most fair?	Do you fund basic DV/SA services? What criteria/processes do you use to allocate VOCA/VAWA funding?
Research tool	Online pair-wise comparison survey	Semi-structured phone interviews
Number of participants	78 (response rate 67.8%)	Eight administrators in seven states

First, The GCC Work Group on the DV/SA Funding Process developed nine allocation criteria for North Carolina program directors to evaluate (Appendix A). Program directors evaluated each of the nine criteria against the others in a pair wise comparison survey. The research study

results include rankings of what program directors in North Carolina found to be the fairest criteria for allocating VOCA and VAWA funding for basic services.

Secondly, the work group helped identify states with comparable numbers of DV/SA programs as North Carolina. At least one state administrator in each state participated in an interview. The results of the interviews were analyzed for patterns of funding allocation methods, as well as criteria and factors state administrators considered when instituting and implementing the funding processes.

Fair Resource Distribution: Defining Equity

According to Stone, "equity is the goal for all sides in a distributive conflict; the conflict comes over how the sides envision the distribution of whatever is at issue.[3]" The primary issue at play in determining how to fairly distribute federal funding for basic DV/SA is equity. In *Policy Paradox: The Art of Political Decision Making*, Deborah Stone's chapter on equity illustrates the many understandings of equitable treatment.[4]

One important distinction, however, is the difference between equity and equality. While equality means "sameness," equity, or "fairness," can involve equality or inequality.[5] Recipients can receive unequal resources but agree those resources were distributed fairly. This is what is most pertinent to state administrators and service providers: equality is not necessary for the process to be fair. What is more important is the perceived fairness of the process.

Stone identifies these three "dimensions" of equity and eight "issues."[6] Appendix D illustrates the issues, dimensions, and particular dilemmas of equity in the context of the research question.[7] For example, one can achieve an equitable distribution process by distributing resources to members of a particular group, such as members of a coalition or agencies that have received some accreditation. In the end, there are many different ways to define "equity."

Results

Survey of DV/SA Program Directors. Of approximately 115 possible respondents, 78 responded to the survey (response rate of 67.8%).[8] The survey results were analyzed two ways. The first ranking was based on the total number of votes each criterion received (see Table 2, column 1). The second ranking created a "record" for each criterion. For example, when compared individually against each of the other criterion, equal support was ranked higher than geographic size, number of counties served, number of physical community offices, and number of employees. It was ranked lower than population size of area served, quality of services, and the need to strengthen or stabilize services. When compared to number of clients served, the two got exactly the same number of votes, thereby counting as a tie. Therefore, the "record" for equal support was 4-3-1. The records for each criterion were then ranked (see Table 2, column 2).

Table 3: Most Popular Criteria According to NC DV/SA Program Directors

In order of preference, by total number of votes	In order of preference, by total number of wins/losses/ties against other criteria
1) Quality of Services (370) 2) Number of Clients Served (351) 3) Need to Strengthen or Stabilize Services (336) 4) Equal Amount of Support to All (285) 5) Population Size of the Area Served (281) 6) Geographic Size of the Area Served (228) 7) Number of Counties Served (192) 8) Number of Employees (156) 9) Number of Physical Community Offices (151)	1) Quality of Services Provided (7-0-1) tied with Need to Strengthen or Stabilize Services (7-0-1) 2) Number of Clients Served (5-2-1) 3) Population Size of the Area Served (5-3-0) 4) Equal Amount of Support to All (4-3-1) 5) Geographic Size of the Area Served (4-4-0) 6) Number of Counties Served (2-6-0) 7) Number of Employees (1-7-0) 8) Number of Physical Community Offices (0-8-0)

The two methods of analyzing the survey results were consistent. "Quality of services provided" and "number of clients served" lead both lists. The "need to strengthen or stabilize services" tied for first on one list and was ranked third on the other. The other criteria fell in the middle of the rankings. The bottom three criteria are exactly the same in both rankings.

Interviews with VOCA or VAWA State Administrators. Interview respondents were state employees working for the agency overseeing the allocation of VOCA and/or VAWA funds. At least one administrator from seven different states consented to an interview about their process for allocating federal funding for DV/SA basic services

All administrators indicated that their states fund basic services. Many recognized their systems were imperfect; two administrators indicated their state agencies were rethinking the systems they were currently using or developing new strategies for allocating VOCA and VAWA funds.

Instead of using formulas or specific criteria, many of the states rely on processes for allocating funding. Of the states interviewed, only Pennsylvania and Washington used a specific, weighted formula to allocate funds. One other state is currently developing a formula as part of the state's process to revise its funding allocation process. States identified the following strategies for allocating VOCA/VAWA funding to community organizations:

- *Funds Designated Providers*: The state administrative agency has a process for identifying service providers in particular geographic areas. Those programs are either the only programs funded in that area or receive priority funding.
- *Issues RFP to Determine Providers*: State administrators periodically ask programs to submit proposals, which are evaluated by administrators or outside grant reviewers, to determine what programs will receive funding. Sometimes combined with a designated provider system in order to identify which programs will receive funding.
- *Uses a Truly Competitive Process*: Similar to an RFP, but in this case there is no guarantee of any funding.
- *Requires Providers Meet Service Standards*: All programs must go through a certification or accreditation process in order to be qualified to apply for or receive funding. Those standards may be developed and enforced by the state administrative agency or by the state Coalitions Against DV/SA

- *Advisory Board Sets Funding Priorities*: Some states have advisory boards that set funding priorities for a particular period of time, generally related to an identified service need in the state. Programs that meet those priorities receive funding.
- *Allocates Base Funding Amount to All Providers*: All programs across the state receive a base amount of support every year to provide basic services. Base funding may be used in combination with a formula, RFP, or competitive process.
- *Applies a Formula Based on Specific Criteria*: The state administrative agency applies a formula that weighs specific criteria.

States used a combination of approaches to funding allocation. The respondents identified these processes for allocating funding:

Table 4: Summary of VOCA/VAWA Funding Strategies and Processes in Other States[9]

Strategy		California	Illinois	Iowa	Kentucky	Pennsylvania	Virginia	Washington
Funds Designated Providers	VOCA	X	X		X			
	VAWA				X			
Issues RFP to Determine Providers	VOCA	X	X	X				
	VAWA			X				
Uses a Truly Competitive Process	VOCA							
	VAWA					X	X	
Requires Providers Meet Service Standards	VOCA	X				X	X	X
	VAWA							
Advisory Board Sets Funding Priorities	VOCA							
	VAWA		X					
Allocates a Base Funding Amount to All Providers	VOCA			X				X
	VAWA			X				
Applies a Formula Based on Specific Criteria	VOCA					X		X
	VAWA							

The interviews also revealed some similarities and differences between what drives state administrators in allocating money for basic services and what service providers want. Service providers would like state administrators to consider the quality of services a service provider

delivers. State administrative agencies, on the other hand, often use systems that do not take service quality into account. Though many states reported having some method of ensuring accountability (submitting reports, site visits, free technical assistance, etc.), nearly every state administrator interviewed acknowledged the difficulty of measuring a community organization's service quality. Though state administrators would like to measure quality, it is simply too resource-intensive to do.

Additionally, some state administrators reported that their strategy for allocating funding was based less on trying to achieve equity and more as a response to the fluctuations in VOCA/VAWA funding availability. The funding amounts have been volatile from year to year. When funding was very low, some states moved to designated provider systems because there was not enough money to offer every service provider a grant.

In the end, when a state determines what the main funding priorities are, the meaning of "equity" for their state materializes. In Washington State, for example, reaching traditionally underserved populations was the catalyst for defining equitable funding distribution. When Washington undertook this process, however, state administrators were deliberate about involving all interested stakeholders. As a result, while there are many ways to define equity, the actual definition may be less important than the process used to arrive at that definition.

Conclusions

Service providers want state administrative agencies to consider service quality in the process of allocating VOCA and VAWA funds; however, this criterion is challenging to define and measure. All the states contacted as part of this research study have demonstrated a commitment to funding basic services, though many struggle to determine the best way to allocate funding fairly. States are using a mixture of approaches, and the interviews did not reveal a standard practice. Many different criteria make up each state's definition of "equity."

North Carolina service providers would like to receive funding based on the quality of the services they provide. The state administrators interviewed do not use this strategy to designate VOCA/VAWA funds. The closest any state comes to allocating funding based on quality is by determining baseline service standards service providers must fulfill before they are eligible for funding. State administrators recognized the difficulty of determining and monitoring the quality of services provided and the outcomes of those services.

This poses a challenge for the GCC. Quality is difficult to quantify and resource-intensive to measure. Regardless of the method or process a state chooses to use to distribute funding, it is important to bring all the stakeholders into the decision-making process.

Each approach has particular consequences. States should ensure that the likely outcomes of choosing one approach over another is in line with the state administrative agency's goals or values for funding basic services in community organizations. Because it is so difficult to narrowly define "equity," the perception of fairness can be influenced more by the inclusiveness and transparency of the decision-making process than by the content of the decision itself.

[1] Federal funding for services to community domestic violence (DV) and sexual assault (SA) organizations is passed through state agencies. The Violence Against Women Act (VAWA) and the Victims of Crime Act (VOCA) do have specific allocation requirements stipulated by the legislation. The STOP (Services, Training, Officers, and Prosecutors) VAWA Formula Grant requirements stipulate that grants to states must be distributed according to the following formula: 25 percent to law enforcement agencies, 25 percent for prosecution, 5 percent for courts, and 30 percent for nonprofit, nongovernmental victim services (United States Department of Justice. Office of Violence Against Women. "Frequently Asked Questions on STOP Formula Grants." 21 November 2007. 20 February 2010 <http://www.ovw.usdoj.gov/docs/FAQ_FINAL_nov_21_07.pdf>.). VOCA has no such distribution requirements, and must simply "be used to compensate and assist victims of crime, provide funds for training and technical assistance, and assist victims of federal crimes" (US Department of Justice. Office of Justice Programs. Office for Victims of Crime. "Final Program Guidelines: Victims of Crime Act Victim Compensation Grant Program." *Federal Register* 66(95). 16 May 2001. 20 February 2010 <http://www.ovc.gov/voca/pdftxt/voca_guidelines2001.pdf>. 27158-27166). After fulfilling the statutory requirements, states do have the flexibility and discretion to decide how (or even if) they want to allocate funds to individual DV/SA community organizations to use for basic services to victims.

[2] Based partially on the definition found in the final report of the Washington State Sexual Assault Services Advisory Committee. Washington Coalition of Sexual Assault Programs & Washington State Sexual Assault Services Advisory Committee. Final Report on Washington State Sexual Assault Services Advisory Committee. Submitted June 1995.

[3] Stone, Deborah. *Policy Paradox: The Art of Political Decision Making.* "Equity." New York City: W.W. Norton & Company, 39-60, p. 39.

[4] Ibid.

[5] Ibid., 42

[6] Ibid, 42

[7] Ibid., 44

[8] The North Carolina Coalition Against Domestic Violence and the North Carolina Coalition Against Sexual Assault sent the survey links out to directors on their mailing lists. There were approximately 115 possible respondents and the instructions requested that one person from the organization, either the executive director or his/her designee, take the survey.

[9] Not all states responded about both VOCA and VAWA funding. Blanks spaces in the chart do not necessarily denote absence of the policy; it may be that the state did not respond about that particular stream of funding.

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Appendix A: Complete List of Funding Criteria Evaluated in Survey

- *Geographic Size of the Area Served* – how large or small the region served is.
- *Population Size of the Area Served* – the number of people living in the geographic area served.
- *Number of Counties Served* – number of counties included in the geographic area served.
- *Number of Physical Community Offices Quality of Services* – how many community offices or satellite offices the nonprofit operates.
- *Number of Clients Served* – how many clients use the nonprofit's services.
- *Number of Employees* – how many people the nonprofit employs.
- *Need to Strengthen or Stabilize Services* – whether the nonprofit is struggling financially/programmatically or whether nonprofits should receive funding to bring them to a base service level.
- *Equal Amount of Support to all Programs* – all programs should receive the exact same support each year.

Appendix B: Geographic Diversity of Respondents

NC Council for Women Regions	Number of respondents	Percentage of total
Region 1 (Cherokee, Graham, Clay, Macon, Swain, Jackson, Haywood, Transylvania, Henderson, Buncombe, Madison, Yancey, McDowell, Rutherford, Polk, Mitchell, Avery, Watauga, Ashe)	20	26%
Region 2 (Burke, Caldwell, Alexander, Catawba, Lincoln, Cleveland, Gaston, Iredell, Mecklenburg, Union, Cabarrus, Rowan, Davie, Anson, Stanly, Montgomery, Richmond)	15	19%
Region 3 (Wilkes, Alleghany, Surry, Yadkin, Stokes, Forsyth, Davidson, Rockingham, Guilford, Randolph, Caswell, Alamance, Person, Orange)	11	14%
Region 4 (Granville, Vance, Warren, Franklin, Durham, Wake, Johnston, Chatham, Lee, Harnett, Moore, Hoke, Cumberland, Scotland, Robeson)	13	17%
Region 5 (Northampton, Hertford, Gates, Chowan, Perquimans, Pasquotank, Camden, Bertie, Currituck, Halifax, Nash, Edgecombe, Wilson, Pitt, Beaufort, Washington, Tyrrell, Dare, Hyde, Martin)	8	10%
Region 6 (Greene, Wayne, Lenoir, Craven, Pamlico, Jones, Carteret, Onslow, Duplin, Sampson, Pender, Bladen, Columbus, Brunswick, New Hanover)	11	14%

Appendix C: Organizational Diversity of Respondents

Type of Organization	Number of respondents	Percentage of total
Stand alone sexual assault/rape crisis center (independent nonprofit)	9	11%
Stand alone domestic violence center (independent nonprofit)	11	14%
Combined sexual assault/domestic violence center (independent nonprofit)	50	63%
A sexual assault/rape crisis center within an umbrella organization (such as United Family Services or county government)	3	4%
A domestic violence center within an umbrella organization (such as United Family Services or county government)	2	3%
Some other kind of organization	5	6%

Appendix D: Table 2: Stone's Concepts of Equality

Dimensions of Equity	Equity Based on Recipients	Equity based on the Item Distribution	Equity Based on the Distribution Process
Issues	1. *Membership*: boundaries of the community of eligible recipients 2. *Rank-based distribution*: the internal subdivisions of the recipient pool 3. *Group-based distribution*: major internal cleavages (blocs) of recipient pool	1. *Boundaries of the item*: what is being distributed 2. *Value of the item*: what is the item worth	1. *Competition*: opportunity for same starting resources 2. *Lottery*: starting with same statistical chances 3. *Voting*: opportunity to participate in process
Dilemmas for Administrators/ Service Providers	- What service providers should be eligible to receive funding? - Are some providers better recipients than others? - What are the major groups/types of providers?	- What is being distributed? - Can every recipient do the same amount of work with the same resources? - Does every recipient value the item the same?	- Does each recipient start with the same resources? - Does every recipient have the same chance at receiving the item? - Do the participants have the opportunity to give input about the process?