

2016 Social Innovation Fund Pay for Success Competition Outreach Toolkit

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What is the Social Innovation Fund (SIF)?

“Instead of wasting taxpayer money on programs that are obsolete or ineffective, government should be seeking out creative, results-oriented programs ... and helping them replicate their efforts across America.” – President Obama (June 30, 2009).

The Social Innovation Fund (SIF), a key White House initiative and program of the Corporation for National and Community Service (CNCS), combines public and private resources to grow the impact of innovative, community-based solutions that have compelling evidence of improving the lives of people in low-income communities throughout the United States. SIF invests in three priority areas: economic opportunity, healthy futures, and youth development.

Authorized by the Edward M. Kennedy Serve America Act in April of 2009, the Social Innovation Fund (SIF) is a program of the Corporation for National and Community Service that empowers organizations to identify and support community solutions, while building the capacity of the nonprofit sector.

With the simple but vital goal of *finding what works and making it work for more people*, the Social Innovation Fund and its grantees unite public and private resources to identify and scale innovative and effective evidence-based solutions to local and national challenges in three priority areas: economic opportunity, healthy futures, and youth development.

The Social Innovation Fund has two grant programs: SIF Classic and SIF Pay for Success. Through the two programs, community-based organizations, or “intermediaries,” direct resources to nonprofit organizations and state and local government entities, or “subgrantees,” to help build the capacity of the social sector and lift-up solutions that can transform lives. In addition, the Social Innovation Fund shares data, lessons learned and results through its Knowledge Initiative.

In addition to funding, Social Innovation Fund grantees receive significant technical assistance to support implementation of their innovative programs. Participation in SIF gives grantmakers greater visibility and plugs them into a national network of funders and nonprofits that are committed to fostering social innovation to improve lives in low-income communities throughout the U.S.

In just six years SIF and its private-sector partners have invested more than three quarters of a billion dollars in compelling community solutions. To date, the SIF portfolio represents a \$279.6 million investment in 42 intermediary grantees and 279 participating subgrantees working in 41 states and the District of Columbia. This modest federal investment is expected to leverage more than \$607 million in non-federal match commitments. SIF programs have received funding commitments from nearly 200 non-federal organizations to date, and as models develop and demonstrate results, SIF anticipates that this set of effective solutions will attract a diverse array of funders seeking results.

The Corporation for National and Community Service is a federal agency that engages more than five million Americans in service and champions community solutions through its AmeriCorps, Senior Corps, Social Innovation Fund, and Volunteer Generation Fund programs, and leads the President's national call to service initiative, United We Serve. For more information, visit NationalService.gov.

What is Pay for Success?

Pay for Success (PFS) is an innovative model that ties funding for an intervention to its impact in the community. In a PFS project, government (or another “payor” such as a school district or hospital) only pays for outcomes achieved, such as a reduction in recidivism or increase in high school graduation rates – not inputs or activities. PFS often incorporates PFS financing, in which a third party investor provides to a Service Provider the financial resources necessary to carry out the intervention. Return of capital (and any potential return on investment) is dependent, in whole or in part, on the achievement of outcomes identified in the PFS Agreement. PFS financing offers a way to catalyze philanthropic and private sector investments to deliver better outcomes, enabling government to pay only for outcomes achieved – that is, to pay only for what works.

PFS increases investments in effective social interventions by changing the way government allocates and invests its resources. Unlike programs structured around processes rather than measurable results, PFS provides greater flexibility government to implement evidence-based solutions, test promising innovations, and scale programs that work.

Who is involved in a Pay for Success project?

- Government agency (or other “payor” such as a school district or hospital) – defines the desired outcomes and pays back the upfront funding once the outcomes are achieved
- Project Coordinator – leads the PFS agreement between the government agency that will pay once outcomes are achieved, the investor or other philanthropic funder that will provide up-front funding for the service provider, and service provider(s) to achieve outcomes using evidence-based practices
- Service Provider – implements an evidence-based approach to delivering services with upfront funding from philanthropic or other investors
- Private or philanthropic investor(s) (if PFS financing is involved) – provides upfront funding to support the social services provider(s) and are repaid by the government once outcomes are achieved
- Independent third-party evaluator – verifies the extent to which agreed-upon outcomes are achieved in order to determine government payments

Where is Pay for Success being implemented?

- Currently, eight PFS transactions that have either been launched or are underway in states including NY, MA and UT, and cities/counties including Chicago, Cuyahoga County (OH), New York City, and Santa Clara County (CA). The projects address issues such as recidivism, workforce development, and early childhood education. Elsewhere, states and municipalities are pursuing PFS strategies supporting interventions to address a number of social challenges, from health interventions to chronic homelessness.

Why is Pay for Success financing important?

- *Tight budgets and growing need* - At a time when all levels of government are facing cutbacks, Pay for Success offers a financing solution for preventive services, which are often the first services to get cut in hard budget times even though they lead to reduced costs and better outcomes in the long-term. It offers a new approach to invest in the critical services for vulnerable populations that need more – not less – support.
- *Leverage private sector investors to scale effective interventions* – Philanthropic and other private organizations provide the up-front capital for social services that, when successful, achieve measurable outcomes that improve the lives of families and individuals and reduce their need for future services.
- *Achieve better outcomes for federal, state and local governments in a diverse range of program areas* – PFS emphasizes preventive services provided by innovative, data-driven service providers. This allows different levels of government to collaborate to fund effective programs that can result in government savings.
- *Minimizes risk to the government and maximizes return on taxpayer dollars* - Because the government pays only for demonstrated results, private sector investors bear the primary financial risk until outcomes are achieved. This will increase the government's return on investment in social programs.

Sample Newsletter or Blog Post Text

Subject: \$10.6 Million in Pay for Success Grants Available from the Social Innovation Fund

SHORT

On December 9, 2015 the Corporation for National and Community Service (CNCS) announced a Notice of Funding Availability (Notice) of up to \$10.6 million for the 2016 Social Innovation Fund (SIF) Pay for Success Grant Competition. The SIF PFS competition is designed to support the structuring of Pay for Success projects – that is, to take PFS projects from development to implementation, and from conception to fruition, to attract much-needed capital to solutions that work, and to collect and share knowledge about every step of the process. The competition accepts applications from eligible entities including nonprofit organizations and city and state governments seeking to enhance the reach and impact of innovative community-based solutions that improve the lives of people in low-income communities. Successful applicants will receive grants between \$350,000 and \$1,800,000 per year for three years. Grants will be matched dollar-for-dollar by the grantees. In line with SIF priorities, projects will target Youth Development, Economic Opportunity and Healthy Futures. **Applicants are encouraged to send a letter of intent by January 13 and applications are due by February 11, 2016.** Learn more and [apply here!](#)

DETAILED

Following its inaugural 2014 Pay for Success competition, the Corporation for National and Community Service (CNCS) just released a [Notice of Funding Availability \(NOFA\)](#) of up to \$10.6 million for the 2016 Social Innovation Fund Pay for Success Grants Competition.

Applicants are encouraged to send a letter of intent by January 13 and applications are due by February 11, 2016. The SIF PFS program is designed to examine when and how pay for success works best, strengthen and diversify the pipeline of state and local governments as well as nonprofit service providers that are ready to participate in PFS, attract much-needed capital to solutions that work, and collect and share knowledge about every step of the process. For the 2016 competition, SIF seeks applicants with experience in social finance or Pay for Success to take PFS projects from development to implementation, and from conception to fruition.

Successful applicants will receive grants between \$350,000 and \$1,800,000 per year for three years. Grants will be matched dollar for dollar by grantees, with at least 50% of the match in non-federal dollars and up to 50% of the match from third-party, in-kind contributions. The competition targets projects focused on Youth Development, Economic Opportunity and Healthy Futures.

Pay for Success (PFS) is an innovative model that ties funding for an intervention to its impact in the community. PFS-financed projects catalyze philanthropic and private sector investments to deliver better outcomes, enabling government or other Payors (for example, school districts or hospitals) to pay only for outcomes achieved – that is, to pay only for what works. PFS often incorporates PFS financing, in

which a third party investor provides to a Service Provider the financial resources necessary to carry out the intervention. Return of capital (and any potential return on investment) is dependent, in whole or in part, on the achievement of outcomes identified in the PFS Agreement.

PFS increases investments in effective social interventions by changing the way government allocates and invests its resources. Unlike programs structured around processes rather than measurable results, Pay for Success provides greater flexibility government to implement evidence-based solutions, test promising innovations, and scale programs that work.

To date, eight PFS projects have either been launched or are underway in the US, in the states of NY, MA and UT, and cities/counties of Chicago, Cuyahoga County (OH), New York City, and Santa Clara County (CA). The projects span issue areas of homelessness and supportive housing to recidivism, from early childhood education to employment. The SIF's initial investment of \$12 million to eight PFS grantees has produced more than 40 PFS projects under development, more than doubling the total number of projects under way in the United States.

The Social Innovation Fund unites public and private resources to evaluate and grow innovative community-based solutions with evidence of results. In just six years SIF and its private-sector partners have invested more than three quarters of a billion dollars in compelling community solutions. To date, the SIF portfolio represents a \$279.6 million investment in 42 intermediary grantees and 279 participating subgrantees working in 41 states and the District of Columbia. This modest federal investment is expected to leverage more than \$607 million in non-federal match commitments. SIF programs have received funding commitments from nearly 200 non-federal organizations to date, and as models develop and demonstrate results, SIF anticipates that this set of effective solutions will attract a diverse array of funders seeking results.

We, <insert org name> believe the Social Innovation Fund Pay for Success Competition is important to the sector and to our network because <insert personalized statement>. We encourage you to review this opportunity and share it with others who you think may be interested.

Consult the [SIF website](#) to read or download a copy of the Notice, which provides additional information about this grant competition and instructions on how to apply. The website also contains information on other resources CNCS will make available to potential applicants, including technical assistance calls, webinars and access to proposals and application executive summaries from previous competitions.

Sample Tweets

'Paying for what works when it works!' @SIFund announces \$10.6M opportunity in #PayForSuccess grants! <http://go.usa.gov/9pv4> Deadline 7/31! Pls RT!

The @SIFund \$10.6M #PayForSuccess grant competition is LIVE! Applications due 2/11/16. <http://go.usa.gov/9pv4> Pls RT!

APPLY NOW to @SIFund #PayForSuccess grant competition. Up to \$10.6M available. Deadline 2/11/16 <http://go.usa.gov/9pv4> Pls RT!

Care about Youth Dev., Economic Oppty, Healthy Futures? The @SIFund #PayForSuccess grants comp. does! Apply by 2/11/16! <http://go.usa.gov/9pv4>

Care about Opportunity Youth & other underserved groups? The @SIFund #PayForSuccess grants comp. does! Apply by 2/11/16! <http://go.usa.gov/9pv4>

The @SIFund #PayForSuccess grants will support Transaction Structuring. Apply by 2/11/16. \$10.6M in grants. <http://go.usa.gov/9pv4>

Check out the @SIFund #PayForSuccess grant competition fact sheet! \$10.6M in grants. <http://go.usa.gov/9dFe> Pls RT!

Technical Assistance Webinar Schedule

Date	Time	Topic	Registration/ Log-In Information
Tuesday, December 15, 2015	4:00 p.m. EST	Overview of SIF PFS NOFA	Dial-in: 888-917-8042 Passcode: 5490243
Tuesday, December 22, 2015	4:00 p.m. EST	Question & Answer Session	Dial-in: 888-917-8042 Passcode: 5490243
Wednesday, January 6, 2016	4:00 p.m. EST	Overview of SIF PFS NOFA	Dial-in: 888-917-8042 Passcode: 5490243
Monday, January 11, 2016	4:00 p.m. EST	Overview of SIF PFS NOFA	Dial-in: 888-917-8042 Passcode: 5490243
Tuesday, January 26, 2016	4:00 p.m. EST	Question & Answer Session	Dial-in: 888-917-8042 Passcode: 5490243

Helpful Links

The following are useful links that can be used to direct parties to general information about the Social Innovation Fund, as well as NOFA application resources.

Social Innovation Fund / Corporation for National and Community Service

About SIF

<http://www.nationalservice.gov/programs/social-innovation-fund/about-sif>

Sign Up for SIF Updates, including Funding Opportunities

https://public.govdelivery.com/accounts/USCNCS/subscriber/new?topic_id=USCNCS_35

Pay for Success Fact Sheet

<https://www.nationalservice.gov/documents/pay-success-resources/2015/pay-success-fact-sheet>

Previous Successful SIF Applicants

<http://www.nationalservice.gov/programs/social-innovation-fund/funded-organizations>

Interactive Map of Current SIF Programs

<http://www.nationalservice.gov/programs/social-innovation-fund/social-innovation-fund-map>

State of the SIF Report: Using Evidence to Scale What Works

<http://www.nationalservice.gov/programs/social-innovation-fund/knowledge-initiative/reports>

State of the Pay for Success Field: Opportunities, Trends, Recommendations

<http://www.nationalservice.gov/programs/social-innovation-fund/our-programs/pay-success/pay-success-resources>

2016 SIF PFS Competition

2016 Notice of Funding Availability Announcement

<http://www.nationalservice.gov/documents/main-menu/2015/social-innovation-fund-2016-pay-success-notice-funding-availability>

Application Instructions

<http://www.nationalservice.gov/documents/main-menu/2015/2016-SIF-Pay-for-Success-Application-Instructions>

2016 SIF PFS NOFA Competition Fact Sheet

<http://www.nationalservice.gov/documents/main-menu/2015/2016-sif-pay-success-grant-competition-nofa-fact-sheet>

Images and Videos

Social Innovation Logo (to use with Newsletter/ Blog Post text):

<http://www.nationalservice.gov/newsroom/marketing/logos/>

SIF Program Photos

<http://photos.nationalservice.gov/Program-Photos/SIF>

SIF Videos

<https://www.youtube.com/watch?list=PLZ54wDoDIX7eO8taK9EKaRbyMNwQMphXK&v=0elrLAWeHGY>