



# **PAY FOR SUCCESS GRANT PROGRAM**

LEGISLATIVE REPORT 2020



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## Executive Summary

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Assembly Bill (AB) 1837 (Atkins), Chapter 802, Statutes of 2014, established the Social Innovation Financing Program now known as the “Pay for Success (PFS) Grant Program” to be administered by the Board of State and Community Corrections (BSCC).<sup>1</sup> It provided \$5,000,000 in funding through the Recidivism Reduction Fund to support three local projects. AB 1056 (Chapter 438, Statutes of 2015), extended the program’s sunset date to January 1, 2022.

PFS is an innovative financing mechanism that shifts financial risk from a traditional funder—usually government—to a new investor, who provides up-front capital to scale an evidence-based social program to improve outcomes for a vulnerable population. If an independent evaluation shows that the program achieved agreed-upon outcomes, then the investment is repaid by the traditional funder. If not, the investor takes the loss.

Under PFS programs, payments are made conditional on demonstrated outcomes such as recidivism reduction or permanent housing. This helps ensure that the government pays only for programs having the intended impact. Additionally, PFS can help government systems advance evidence-based policymaking and strategic planning for effective program development.

In the PFS model, governments, service providers, and funders agree on targeted outcomes for the identified populations. Private investors provide flexible multi-year operating costs to fund effective social service providers. If targeted outcomes are achieved (determined by an independent evaluator), government agencies make “success payments” to investors, who may reinvest their returns to further impact social change.

In April 2016 the Board awarded PFS grants to Alameda County, Los Angeles County and Ventura County through a competitive-bid process. These counties entered into grant award agreements with the BSCC in June 2016. Government Code section 97013 requires funded counties to report progress annually to the BSCC. The BSCC is required to compile those reports and submit an annual summary report to the Governor and the Legislature. This is the fourth Annual Legislative Report, summarizing the implementation of the program, and providing a description of the funded projects and the progress made to date.

In year four, projects are meeting targeted outcomes and continuing to adjust as needed with program partners to get the best results possible. Each project has dealt with the challenges associated with the COVID-19 pandemic and related social and economic uncertainties that have impacted service delivery occurring during this time.

Highlights of the progress made in year four by the PFS grant projects include the following:

- Projects are consistently meeting the performance targets and success payments are regularly being made to investors in accordance with partner agreements;

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<sup>1</sup> Gov. Code, §§ 97008-97015.

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- All three PFS projects continue to be fully engaged and are providing direct services to participants despite the COVID-19 pandemic challenges occurring in year four;
  - Two of the three projects have fully met their targeted number of program participants for the grant period;
  - Adjustments made in service delivery to meet the safety needs during the time of COVID-19 are proving to have the potential for long-range benefits such as increased client engagement through virtual platforms and collaboration with partners to expedite traditional processes and remove barriers to services;
  - Projects have realized an increase in the number of clients graduating from treatment programs;
  - The project has provided 350 permanent supportive housing slots to program participants; and
  - Each project's independent evaluator is regularly assessing program data to determine repayment of investors based on successful outcomes achieved and are well positioned to complete a final evaluation following the submission of year-five data.

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## THE PAY FOR SUCCESS GRANT PROGRAM LEGISLATIVE REPORT 2019

### Introduction

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In 2014, AB 1837 appropriated \$5,000,000 in local assistance from the Recidivism Reduction Fund to establish the Pay for Success (PFS) Grant Program.

PFS performance contracts provide a creative and effective strategy to finance proven programs through public-private partnerships. PFS contracts are rigorous, binding agreements based on a straightforward proposition: taxpayers will pay only for services that achieve results and save money in the long-term. The strategy enables governments to fund programs and services that improve economic opportunity, health, and safety that it otherwise might not be able to afford in the short-term. Moreover, PFS directs funding toward programs that have a strong evidence base and track record of effectiveness.

California has joined several states and local governments that are using PFS contracting as an approach to solve community challenges. AB 1837 authorized the BSCC to use PFS financing to address persistent criminal justice challenges across the state. Pursuant to AB 1837, “it is the intent of the Legislature that as part of the package to reduce recidivism in California, the concept of ‘pay for success’ — or social innovation financing — should be included to take advantage of available philanthropic and private investment.” The broad purpose of the PFS Grant Program is to reduce recidivism using evidence-based approaches that may address such issues as homelessness, substance abuse, and unemployment.

Under the most common PFS model, the government contracts with an independent intermediary entity, or directly with a service provider, to provide social services. The government pays this contract-holder based upon achievement of mutually agreed-upon performance targets. These performance targets are directly linked to taxpayer savings and are measured by comparing the outcomes of individuals referred to the service provider against the outcomes of a comparison group that is not offered the services.

While there are many different structures that satisfy the principles of a PFS Project, six common elements include:

- **Governments-** identify problems to target with the PFS project and make agreed-upon performance-based payments only if outcomes are met;
- **Funders-** private-sector and/or philanthropic funders provide up-front capital to launch or scale the program with the understanding that they will receive a financial return if the program meets agreed-upon goals;
- **Financial intermediaries-** structure the financial deal and solicit investors to provide the up-front capital;
- **Independent evaluators-** provide rigorous measurement of desired goals and validate outcomes to determine if the results of the social program meet its targets;
- **Service providers-** provide the evidence-based social program for the project;

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- **Knowledge intermediaries-** use evidence to find high-performing programs, inform rigorous evaluation, and oversee program implementation.

PFS financing agreements involve private investors who provide upfront capital for the delivery of services and are repaid by a backend, or outcomes payor (usually a government), if contractually agreed upon outcomes are achieved. If the contract-holder is an intermediary, it uses these operating funds to subcontract with one or more service providers to deliver the interventions necessary to meet the performance targets. If the services achieve the minimum outcome target(s) negotiated, the government repays the investors (often out of the savings it achieves from the preventative program). If the contract-holder fails to achieve the minimum target(s) negotiated, the government does not pay, ensuring that taxpayer funds are not spent on programs that are ineffective. Payments typically rise for performance that exceeds the minimum target, up to an agreed-upon maximum payment level. Independent monitoring and evaluation of outcomes is critical in PFS contracts, as government payment is predicated on the achievement of outcomes. Rigorous evaluation systems, which determine whether pre-established targets have been reached, can deepen California's understanding of which programs work, and findings can be used to improve services throughout the state. This learning enables the state to spend taxpayer funds more effectively and scale up evidence-based, innovative programs that have been proven to work in California.

AB 1837 provided approximately \$4,750,000 for local grant awards in amounts of not less than \$500,000 and not more than \$2,000,000 for three local PFS Projects selected through a competitive-bid process.

A minimum of 100 percent match of the PFS Grant Project funding was required. Other county, federal, private, or philanthropic funds were allowable to meet the match requirement. Resources required for the match obligation could be cash or in-kind contributions or a combination of both.

Up to 10 percent of the grant funds awarded could be used by the counties for administrative expenses. The remaining 90 percent must be set aside by the county to repay investors upon the achievement of specific outcomes based upon defined performance targets. Any unused state moneys shall revert to the General Fund.

County Boards of Supervisors (BOS) were the eligible applicants applying for the PFS Grant Project. Funding awarded to the grantees is to be used to enter a pay for success contract with investor(s) to include the following:

- A requirement that the repayment to investors be conditioned on the achievement of specific outcomes based upon defined performance targets.
- An objective process by which an independent evaluator, selected by the county, will determine whether the performance targets have been achieved. This process shall include defined performance metrics and a monitoring plan.
- A calculation of the amount and timing of repayments to the investor(s) that would be earned during each year of the contract if performance targets are achieved as determined by the independent evaluator.

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- A determination by the county that the contract will result in significant performance improvements, such as a reduction in re-arrests or an increase in the number of jail days avoided, and budgetary savings if the performance targets are achieved.

## **Development of the Project**

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The BSCC established an Executive Steering Committee (ESC) to guide the development of the Request for Proposals (RFP) process for the PFS Grant Project. The ESC developed the elements of the RFP, read and rated proposals, and made funding recommendations based on the results of the proposal evaluation process.

### Key Components:

- The project period began June 1, 2016 and will end December 31, 2021.
- Eligible applicants were county boards of supervisors (BOS) applying for the PFS Grant Project on behalf of government agencies (implementing agencies) that fall under their authority. Government agencies may include Sheriff's Offices, Probation Departments, Mental Health Departments, or other county departments that have the capacity to deliver services for the broad purpose of recidivism reduction.
- Among other criteria, projects are to meet the following requirements:
  - Address social needs that are unmet, high priority, and large-scale;
  - Address target populations that are well-defined and can be measured with scientific rigor;
  - Deliver outcomes that are credible and readily available by cost-effective means;
  - Identify anticipated outcome metric(s) as well as the means and methodology for measuring, evaluating, and documenting program impacts;
  - Raise private, nongovernmental funding for project operations and repay investors when predetermined outcomes are achieved;
  - Use interventions that are highly likely to achieve targeted impact goals;
  - Use proven service providers that are prepared to scale-up with quality;
  - Include safeguards to protect the well-being of the populations served; and
  - Be a cost-effective program that can demonstrate financial savings for government.

### Key Partners in the Project:

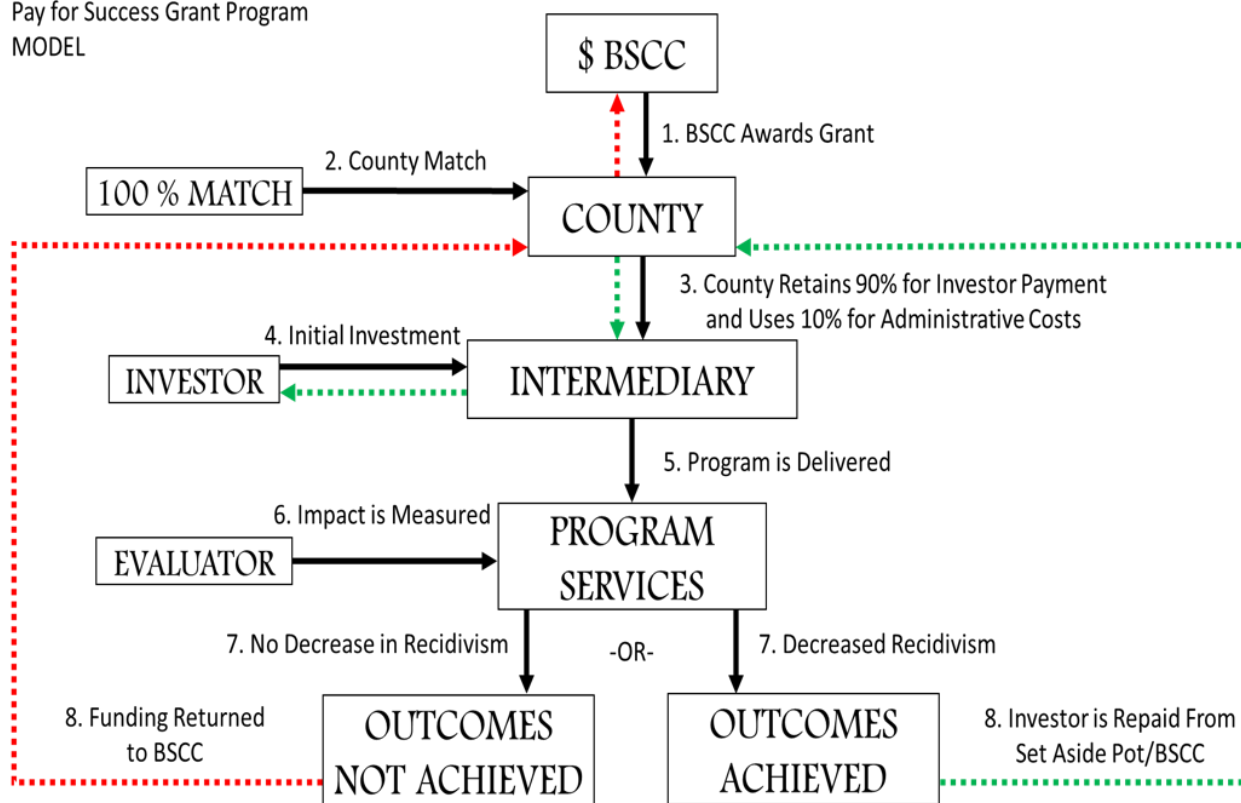
- County BOS: develops a program designed to reduce recidivism and contracts with private (nongovernmental) investors to establish the program funding.
- Investors: provides upfront operating capital for the project.
- Service providers: delivers services to the target population.



- Independent evaluator: validates the results of the project and develops the methodology for determining successful programmatic outcomes that will trigger repayment to the investor.
- BSCC: awards grants to up to three counties for repaying investors when predetermined outcomes are achieved and administers program.
- Intermediary (optional): coordinates and manages the project, assists with securing funding, assists with selection of service providers, and aligns the interests of the multiple parties involved in the contract with the County BOS (i.e. investors, service providers, and evaluator).

**TABLE I**

Pay for Success Grant Program  
MODEL



### Statewide Informational Workshops

Prior to the release of the RFP in February 2016, the BSCC held three statewide workshops in Sacramento, Fresno, and Santa Ana to provide information about PFS projects. The workshops included an overview of the working components of a PFS project from feasibility studies to implementation. Additionally, a panel of subject matter experts made

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up of intermediaries, technical assistance providers, and local-level PFS projects provided information about their roles and experience in developing a PFS program. Seventy-seven participants attended the workshops representing 17 counties.

### Bidders' Conference

Following the release of the RFP, a Bidders' Conference was conducted to provide information and details about the project requirements, grant application process and to offer an opportunity for questions and answers. Twenty-six participants attended the conference representing eight counties and four private agencies/organizations.

### Harvard Government Performance Lab

The BSCC greatly benefited from support and technical assistance through a fellowship program with the Harvard Government Performance Lab, experts in the pay for success model. The Harvard Government Performance Lab staff assisted with the regional workshops, provided support and training both to the ESC and at the Bidders Conference, and offered technical assistance to applicants to help them in determining the feasibility of implementing a local PFS project and understand the required components of a PFS program. They continued to offer this pro bono assistance to support the pre-launch activities and early implementation efforts of the grantees awarded the PFS funding. At this juncture the projects are now fully underway and no longer have a need this assistance.

### Awards

Following a solicitation period of nearly 19 weeks, three proposals were submitted that were forwarded to the ESC for reading and rating. All three applicants met the minimum threshold for eligibility to be considered and there was adequate funding to fund two of them fully and one partially (Table II).

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**TABLE II**

<b>Rank</b>	<b>County</b>	<b>Amount Requested</b>	<b>Amount Awarded</b>
<b>1</b>	Los Angeles	\$2,000,000	\$2,000,000
<b>2</b>	Ventura	\$1,500,000	\$1,500,000
<b>3</b>	Alameda	\$2,000,000	\$1,250,000
		<b><i>TOTAL</i></b>	<b><i>4,750,000</i></b>

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## Project Summaries

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### *Alameda County (BSCC grant award \$1,250,000)*

Alameda County's PFS Project, which is named Alameda County Justice Restoration Project (ACJRP), is designed to engage individuals who continue to commit certain felonies realigned by AB 109. Through collaboration, direct services, and peer-based navigation, the ACJRP program creates opportunities and addresses: chronic unemployment, poverty, substance abuse, mental health issues, physical health care, access to adequate housing, educational opportunities, and vocational training. The program also provides positive peer relationships and role models, family reunification, and it disrupts criminogenic thinking to help the participants become law abiding and successful. Services include both pre-and post-release outreach to ensure participant understanding and willingness to engage and enroll. Once enrolled in the program, the 150 participants receive individualized program services from a cross-trained peer-based service team who deliver wraparound services, and counselors who provide access to substance use disorder treatment, employment training, adult education, mental health services, intensive case management and housing assistance. Spearheaded by the District Attorney, the project is a collaboration with the County Administrator's Office, Sheriff's Office, Probation Department, Health Care Services, Behavioral Health Care Services, Public Defender's Office, Social Services Agency, and numerous community-based service providers. The District Attorney's Office is the lead implementing agency with support from the County Administrator's Office. The budget for the Alameda County Justice Restoration Project is estimated at \$3,248,000.

### *The Los Angeles County (BSCC grant award \$2,000,000)*

The Los Angeles County PFS Project serves individuals who are homeless, have a mental illness and/or substance use disorder, and are involved with the Los Angeles County criminal justice system. The project intends to fund 300 permanent supportive housing slots. Permanent supportive housing is an intervention that connects permanent housing subsidies to wraparound support services that continue after the participant receives permanent housing. The intervention consists of two linked components: pre-release jail in-reach supportive services and immediate interim housing in anticipation of permanent supportive housing upon release from jail. Intensive case management service providers begin working with participants while they are still incarcerated. During jail in-reach, providers work to establish a rapport with participants, administer assessments that guide service delivery moving forward, begin filling out housing applications, and gather documentation that will help participants secure housing and benefits. These providers connect participants to interim housing immediately upon release from jail and then to permanent supportive housing. Once the client is housed, the original jail-in-reach service provider continues to provide intensive case management services to help the client maintain their housing and to support their health and wellbeing through connection to physical health, mental health, and substance use disorder treatment services. The Los Angeles County Department of Health Services (DHS) is the lead and implementing agency for the project and partners closely with the Los Angeles Sheriff's Department,

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Courts, Chief Executive Office, and numerous community-based housing and supportive service providers. The budget for the Los Angeles PFS Project is estimated at \$23,000,000, of which this grant provides \$2,000,000.

*Ventura County (BSCC grant award \$1,500,000)*

Ventura County's PFS Project focuses on reducing the number of re-arrests among 400 medium-to-high risk adult probationers. The program model offers an integrated community-based set of evidence-based practices targeting the specific criminogenic factors most related to recidivism. The project has a public-private partnership that leverages and coordinates the expertise and resources of the County Executive Office, Probation Department, Public Defenders Office, Interface Children and Family Services, Social Finance, and investors. The intervention model used, Core 4 Success, is a community-based case management approach. Participants are referred to and assessed for the program by the probation department. A customized suite of re-entry evidence-based practices are to be used for each individual participant and could include: case management, Moral Reconciliation Therapy, parenting, reunification services, trauma treatment and job readiness skills. The County Executive Office is the lead and implementing agency for the project and the budget is estimated at \$2,563,161.

## **Year-Four Program Implementation and Progress**

In anticipation of the Annual Reports to the Legislation the PFS projects were asked to provide information related to:

- General program design including changes or modifications
- Intermediaries
- Investors
- Evaluators and evaluation plan
- Service providers and service delivery
- Program participant information
- Cost-Effectiveness
- Involvement of the affected community
- Recidivism reduction
- Fiscal/budget

## **General Program Design, Progress and Status**

The projects have remained generally consistent with the initial program design as submitted in their proposals and highlighted in the Project Summaries section. Some adjustments have been reported that include minor modifications to evaluation and referral processes as well as service delivery structure. These modifications appear to be the result of common mid-program adjustments that were needed once full project implementation

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was underway. Further situational adjustments have occurred in year four due to the unanticipated COVID-19 pandemic and the related economic and social uncertainties occurring during this time period.

### Alameda County

Alameda County PFS Project initiated a pilot phase in September 2017 with a cohort of 12 participants to test out protocols, referral mechanisms and program operations. The project received additional philanthropic support from the Non-Profit Financing Fund and Irvine Foundation during a Ramp-up period, which commenced in March 2018 with the enrollment of an additional 12 participants over an approximate two-month period.

A formal launch of the Alameda County PFS Project began on August 27, 2018 and in the year that followed the project enrolled 113 participants.

Now in its fourth year, the project enrollment has exceeded its target goal of 150 participants. This achievement is in large part due to program adjustments and streamlined measures put in place in the DA's Office, the courts, and among service providers. The Alameda County PFS Project anticipates that at the conclusion of the project the majority of the 150 enrolled participants will have completed 18 months of services which is also a program goal.

The COVID-19 pandemic has presented various challenges that the service provider and District Attorney have met by virtual meetings with participants, increased 1-on-1 and individualized contacts, and prioritizing in-person support when necessary. The project has made adjustments/increases in services via text, live video, and more service navigation and support for employment and reentry matters. There has also been increased focused on providing support to the project coaches and staff by daily contact to address work related anxiety and strategies for providing supportive and clinical services.

The Alameda County PFS Project reports that though participants and some service delivery models were impacted by the COVID-19 pandemic, as well as the public's response to social unrest and an economic downturn, this will have minimal effect on the evaluation since both the control and participant groups are equally exposed to these conditions. The recidivism reduction rate of the participant group (and success payments) are measured relative to the rate of the control group (it is not a historical or point of time comparison).

During the upcoming year the funder, the Reinvestment Fund, will complete its \$1.19 M investment in the project. Also, project partners are planning to begin publicly sharing lessons learned with the media (e.g., various podcast hosted by the DA's Office) and online blogs. Topics include the benefits of outcomes contracting, successfully adapting programs during the COVID 19 pandemic, and community partnerships. The evaluator, WestEd, and the intermediary, will share learnings through a series of blog posts for the community, justice system, and other service providers for learning purposes.

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### Los Angeles County

The Los Angeles County PFS Project officially launched in October 2017 after completing a demonstration phase in year-one supported by grant funding from the Non-Profit Financing Fund and Irvine Foundation.

In year three, the project enrolled 236 participants all of which were moved into permanent supportive housing. During this time period the project also increased their case management to participant ratio in order to meet the substantial needs of the program participants. Enhanced clinical support was added to the program with the hire of a full time licensed mental health clinician as well as “bridge” psychiatry services to ensure participants have access to clinical and psychiatric services when needed. To keep up with the flow of referrals an additional new service provider was also hired.

At the end of year four a total of 349 active participants have now been enrolled in the program and all have been moved into permanent supportive housing. A total of 321 met their 6-month housing stability goal and thus far, 240 have maintained permanent housing for at-least 12-months.

Eight cohorts of participants have now passed their six-month housing stability timeframe. and the project is meeting its six-month housing stability goal of 92%. At this juncture the twelve-month stability rate is trending lower than the projected goal of 90%. The project is hopeful however, that the final cohorts will demonstrate improved twelve-month housing stability by working with providers to ensure high levels of support continue to be rendered for clients in permanent housing on an on-going basis.

Due to the COVID-19 outbreak, several project-based sites have been delayed in “leasing-up” with participants. The service providers also have had difficulties in meeting clients in person to support their care. To help meet the gaps in service the Office of Diversion and Reentry staff took a more active role in certain project tasks, such as facilitating the entire jail release process. Additionally, nursing staff delivered injections to clients in the field and the World Central Kitchen delivered prepared meals to clients living in permanent supportive housing, thereby providing an important touch point for hundreds of clients practicing "safer at home" in their units. In order to facilitate additional support/connection, laptops/tablets were purchased for housing sites so that clients could meet with their case managers and psychiatrists virtually.

Enrollments for the Los Angeles County PFS Project ended on Sept 30, 2019. No additional enrollments will occur, however exit and re-arrest data will continue to be submitted to the intermediary in the final year of the project to determine whether goals are met, and success payments are triggered.

### Ventura County

Ventura County PFS Project officially launched in October 2017 and in year two, despite challenges related to low referral rates, enrolled 71 participants representing 98 % of their goal for that project period.

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In year three the project continued to focus on issues related to referrals and meeting project targets and was able to enroll 146 participants by year end. Given the lower than anticipated referrals, modifications to the randomization ratio between the Control group and the Treatment Group were made to better support the evaluation needs of the program. Significant efforts were made during this period to work with program partners to increase referral rates to meet the targeted number of 400 participants by project-end.

Now in year four, the COVID-19 pandemic has led to operational challenges across all areas of the Ventura County PFS Project, adding to referral concerns.

The Ventura County Probation Department, the project's primary referral source, also experienced operational changes due to COVID-19. Field contact as well as face-to-face in custody contact has been significantly pared down. Evaluators continue to assess probation clients over the phone and randomize clients through verbal consent.

As a result of ongoing referral challenges and the impact of COVID-19, enrollments for the project are not presently on track to reach the target of 400 participants by the end of the current enrollment period. To help mitigate this problem project partners are pursuing a pathway that would allow an extension of the enrollment period. This will not impact the number of individuals randomized, measurement period for the randomized control trial, outcome calculations, or project budget. The intermediary, Social Finance, will lead a governance process to create and seek approval for relevant changes in management procedures to support this effort.

Programmatically, the Ventura County PFS Project responded quickly and nimbly to the safety concerns triggered COVID-19 with focus on protecting and serving clients and addressing the impacts on partner organizations such service providers. As a result, all group and individual therapy moved to remote delivery in March 2020.

Despite numerous challenges, the project has continued to make headway. In May 2020, the project graduated 42 participants. Additionally, a new therapy intervention developed for justice-involved communities was launched by the service provider and new functionality was added to the data system to help track client progress.

### **Intermediaries**

Intermediaries are one of the key stakeholders in a PFS project. They help governments set up and run PFS projects. They assist in determining project feasibility, deal structuring, and implementation of the PFS project. Intermediaries' roles and responsibilities can vary by project, but in general, they assist with designing the project, securing investors, selecting the service provider, coordinating stakeholders, negotiating the contract, and providing oversight and management to all aspects of the project including interventions used and service delivery.

All three projects completed a contracting process with an intermediary by year two. The intermediaries are providing support to each project through a variety of activities as identified above and the intermediary organization for each project is listed in the table below.

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**TABLE III**

<b>County</b>	<b>Intermediary(s)</b>
Alameda County PFS Project	Third Sector Capital Partners
Los Angeles County PFS Project	Corporation for Supportive Housing and the National Council on Crime and Delinquency have entered into agreements with one another to form a Special Purpose Vehicle (called JIR PFS, LLC) which serves as the intermediary for the project.
Ventura County PFS Project	Social Finance, Inc.

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### Investors

Funders of the PFS projects are private and/or philanthropic investors that provide up-front capital to launch the projects on the promise of a return if the program meets agreed-upon goals. Raising investor funds, negotiating contracts and repayment metrics is a lengthy and complex process. By year-three all of the PFS projects secured and finalized the investment funding needed to support their programs.

#### Alameda

Alameda County PFS Project has contracted with the Reinvestment Fund for approximately \$1,190,000 to fund the costs of the formal project period which launched in August 2018.

Calculation for Outcome Payments has two tiers: 0-2.99 percentage point recidivism reduction (no payment); and 3.00 and greater percentage point recidivism reduction (percentage point reduction multiplied by number of enrolled Individuals multiplied by \$64,000.00). It should be noted that no outcome payments will be made at intermittent points throughout the project, and all payments will be released based on results of the Final Evaluation Report by 12/31/21.

#### Los Angeles

The Los Angeles County PFS Project finalized contracts with the Conrad Hilton Foundation and the United Health Group totaling \$10 million in investor funds. They also received funding from the Nonprofit Finance Fund and Irvine Foundation to assist with the pilot period before their deal structuring was complete.

If the project ultimately meets all the performance benchmarks (100%) outlined in their contracts, investors will receive \$10M in principal and approximately \$1.5M in interest. Of



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the \$11.5M, the Hilton Foundation will receive a maximum of \$3,150,000 and Unity Health Group will receive a maximum of \$8,351,000.

During year four of the PFS Project, outcome payments (repayment of investor funds) were made to investors in January and April 2020 totaling \$1,208,716.

### Ventura

The Ventura County PFS Project finalized agreements with several investors which include the Reinvestment Fund, Nonprofit Finance Fund, Whitney Museum of American Art, Social Finance Fund, Blue Shield Foundation Grant and Interface Children and Family Services totaling approximately \$2,500,000. As part of its capital raising activities, the Intermediary, Social Finance, established the Social Finance Ventura County Project to Support Reentry LLC (“Support Reentry LLC”) to hold investor funds and outcome payments. Pursuant to their PFS Agreement, the county makes outcome payments to Support Reentry LLC; in turn, the LLC disburses outcome payments to lenders pursuant to financing documents/agreements.

The Ventura County PFS Project evaluator verified outcome reports in years two and three which triggered the first outcome payments for the project resulting in a total of \$135,680 in outcome payments to be disbursed to investors.

In year four the evaluator verified outcome reports which triggered an additional outcome payment to the investors in the amount of \$378,880.

### **Evaluators and Evaluation Plan**

All three projects have contracts in place with independent evaluators. The scopes of work vary from project to project and include responsibilities such as: determining evaluation methodology, validating eligibility and success payment calculations, overseeing randomized treatment/control group processes, applying data transfer protocols, establishing evaluation and performance measure criteria, and conducting an impact analysis on service utilization patterns.

### Alameda County

Alameda County PFS Project evaluator, WestEd, completed an initial subcontract agreement with a scope of work for planning and development activities, including the Pilot Period (9/15/17 to 12/31/17) and Ramp-up Period (3/22/18 to 5/29/18).

In year three, the Alameda County Board of Supervisors authorized \$1.2 million in match dollars to develop a multi-year subcontract agreement with WestEd for their formal project period which will run through March 2022. The Evaluator’s scope of work for the project period focuses on the randomized control trial evaluation that the evaluator will conduct to assess total program effectiveness and outcome payments for the funder.

To support the evaluation process, the District Attorney staff provides a list of eligible defendants to the evaluator for randomization. The evaluator randomly assigns each eligible defendant into either the participant group or the control group. By design, those

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in the control group are known to only the evaluator. Those in the participant group may enroll and receive direct program services and navigation to other services and opportunities. The control group will proceed as usual and continue to receive services typically provided for the re-entry population in the county. The evaluator will track outcomes of both the participant group and control group during the 18-month service delivery period and the following six months.

The Alameda County PFS Project is designed to evaluate whether outcomes for participants can be improved by the way they are engaged and supervised. Program participants must meet all of the following eligibility requirements:

- a) The individual is charged with, or convicted of, a felony listed on the Eligible Crimes List (most 1170(h) crimes with several additions consistent with the spirit of Realignment Act) and/or a felony probation violation based on a new crime, rather than a technical violation filed by Probation;
- b) The individual has previously been convicted of a felony at least once;
- c) The individual is 18-34 years old (inclusive) at the time his/her eligibility is reviewed; and
- d) The individual lives in, or has substantial contact with, Alameda County, such that he/she has access to provided and available services.

Outcome payments of up to \$1.37 million will be made based on the rate of recidivism and its reduction to the Participant group as compared to the Control group, as well as the number of enrolled participants. No outcome payments will be made at intermittent points throughout the project. A Final Evaluation Report showing results of the Program on Project Outcome Metrics will be sent by the evaluator to all members of the Advisory Committee and Operating Committee after the conclusion of all participants' Measurement Periods to determine disbursement of outcome payments.

### Los Angeles County

The Los Angeles County's PFS Project executed a contract with their evaluator, the RAND Corporation, in July 2017. The RAND Corporation will validate success payment calculations made by the intermediary to determine the amount of money that investors should receive. Success will be measured looking at the following metrics for participants assessed as suitable for the program by clinicians within the jail setting:

- a) Housing retention (at six months and twelve months); and
- b) Number of arrests (using two-year period following placement into permanent supportive housing)

The first success payment made to investors is triggered by six months housing stability. The base case for six months housing stability rates is 92%, and 90% at 12 months. For arrests, there is a set payment for each housing slot, with the highest amount paid for a client who had zero arrests, lesser payments for one or two arrests respectively, and no payment for a slot that resulted in three or more arrests.

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The evaluator began in year three to verify the achievement of success payment amounts for program participants who were enrolled and permanently housed within the first two quarters of the project. The success metric achieved was for a 6-month housing retention milestone.

Now in year four with verification as provided by the evaluator, the first success payments have begun for both 6-month and 12-month housing retention stability rates. Final repayment to investors related to recidivism will occur in year 4.5.

In an analysis separate from the success payment calculations, the RAND Corporation will also conduct a broader impact analysis to determine the impact of intervention provided on service utilization patterns (the rate at which participants are utilizing County funded services across a range of County Departments). This analysis will look at outcomes for two years post-housing.

### Ventura County

The Ventura County PFS Project finalized a contract with the University of California, Los Angeles (UCLA) in July 2017 for their project evaluation. The project is implementing a randomized control trial. The objective is to understand the impact of a set of re-entry services delivered by the service provider versus “business as usual” services. The project partners collect data on each participant's performance and a protocol has been developed for data sharing. The goal is to have an accurate and comprehensive evaluation of the outcomes, so the county can decide whether to continue its investment in this program after the grant period is completed. There were two main performance measures identified:

- a) Individual "clean quarters" (i.e., no arrests); and
- b) Total re-arrests for the measurement period

Clean quarter outcomes are measured for each participant beginning with the first quarter after his or her randomization date through the following 18-month period. Total re-arrests measurement begins after the end of the fourth quarter after the service commencement date and continues each quarter thereafter.

The Ventura County PFS Project evaluator calculates the individual re-arrest outcome for each participant who has completed their individual outcome measurement period. An individual re-arrest outcome will consist of two measurements: 1) each applicable sample population member's total number of arrests; and 2) whether or not an applicable sample population member is arrested one or more times for a new crime during his or her individual outcome measurement period. The County considers the project a success if at least a 5% relative reduction in recidivism is achieved when compared to the control group.

### Service Providers and Service Delivery

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All three projects have identified the service providers needed to launch their programs and have contracts in place. All projects have tested their service delivery systems in demonstration, pilot and ramp-up periods.

### Alameda County

La Familia was selected and hired as the service provider for the Alameda County PFS Project. La Familia hired peer support specialists, "coaches", in accord with the project model. To assure quality control, District Attorney O'Malley arranged for RI International to provide intensive "peer support and recovery specialist" training, with formal certification upon graduation. The training provides statewide and national certification for individuals with lived experience.

Eligibility is determined by the Alameda County District Attorney's Office. Referred individuals are then randomized by the Evaluator into a Control group or Participant group so that plans for initial contact with potential participants can be made and the enrollment process coordinated. With the permission of the defense attorney the service provider will contact the potential participants while in custody and complete enrollment into the program. Once enrollment is complete services and interventions may include:

- Consistent Outreach and Follow-up
- Service Linkage & Navigation Support
- Intensive Case Management
- Individual, Group, and Family Therapy
- Evidence-Based Techniques to Enhance Intrinsic Motivation
- Substance Use Disorder (SUD) Treatment
- Incentives and Benefits
- Housing
- Education
- Family Reunification
- Transportation

A total of 248,850 hours of service delivery were provided to participants in year three of the project and an additional 6,692 hours were provided in year four.

### Los Angeles County

In the Los Angeles County PFS Project, intensive case management providers begin to work with participants while they are still incarcerated. These providers will connect clients to interim housing immediately upon release from jail and then to permanent supportive housing. Once the client is housed, the intensive case management service (ICMS) provider will continue to provide field-based services to help the client maintain their housing and to support their health and wellbeing through connection to physical health, mental health and substance use disorder treatment services.

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The referral process begins with clinicians within the jails assessing participants for suitability. Once a participant is referred to an intensive case manager provider, the provider conducts other assessments to determine the most appropriate housing intervention for a client as well as other needs, which may include services for:

- Psychiatric Services
- Cognitive Behavioral Therapy
- Substance Use Disorder Treatment
- Vocational and Employment Services
- Individual, Group, and Family Therapy
- Primary Care
- Mainstream Benefits (such as Medicaid and SSI)

Evidence-based interventions and models also offered include:

- Housing First
- Harm Reduction
- Critical Time Intervention
- Motivational Interviewing

Service providers who provide the above services include: Volunteers of America, Amity Foundation, Project 180, The People Concern, and Telecare. The permanent supportive housing subsidy is administered through the County's Flexible Housing Subsidy Pool (FHSP). The FHSP is operated by Brilliant Corners, a non-profit DHS contracted provider, who provides housing location services, on-going rental subsidy payments, and housing retention services.

Two additional providers were brought on to the Los Angeles County PFS Project team in year four, Alcott Center and Telecare. Both organizations provide intensive case management services.

### [Ventura County](#)

The Ventura County PFS Project finalized a contract in July 2017 with Interface Children & Family Services (Interface) to provide individualized case management and a suite of evidence-based services to adult probationers in the program. All staff positions were filled, and service delivery officially began in October 2017.

Ventura County Probation Officers trained in the assessment process, determine the eligibility of potential participants and then randomize the individuals into a control or participant group. Participants are referred directly to Interface for services.

The types of services and interventions provided include:

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- Case Management
  - Trauma Focused Cognitive Behavioral Therapy
  - Moral Reconciliation Therapy
  - Triple P Parenting
  - Seeking Safety
  - Prevention and Relationship Enhancement Program
  - Motivational Interviewing

A total of 1,201 hours of service delivery were provided to participants in year three of the project and an additional 2,361 hours were provided in year four.

### **Program Participant Information**

#### *Alameda County*

Alameda County PFS Project service provider, La Familia, enrolled and actively served 12 participants during the pilot period, and enrolled and actively served an additional 12 individuals during the Ramp-up Period. During year two these individuals received approximately 600 hours of services. Though these individuals are continuing to receive services however, they will not be counted in the outcome data for the formal project period as this time period was used to make refinements for the final program implementation.

During the August 2018 to August 2019 enrollment period, approximately 450 eligible persons were randomized of which 300 were placed in the Control Group and 150 were placed in the Participant Group. By reaching these numbers the project has now met the optimum target goal set for the program.

#### *Los Angeles County*

By the end of year three the Los Angeles County PFS Project had enrolled approximately 236 active participants. All were placed in interim housing upon release from custody and later placed in permanent housing with intensive case management services provided. Thus far, 164 have met their 6-month housing stability goal and 72 have maintained permanent housing for at least 12 months.

By the end of year four the Los Angeles County PFS Project reports approximately 350 active participants all of whom were moved into permanent supportive housing, exceeding their project goal of providing 300 permanent supportive housing slots. Thus far, 92% or 315 have met their 6-month housing stability goal and 72% have maintained permanent housing for at least 12 months.

#### *Ventura County*

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In the third year of the project, the Ventura County PFS Project had enrolled and provided services to 146 participants since officially launching the program in October 2017 and 11 participants graduated from treatment programs.

The project has now graduated at total of 54 participants from treatment programs and has a reported enrolment of 204.

## **Cost-Effectiveness**

### **Alameda County**

The Alameda County PFS Project is measuring the cost-effectiveness of eliminating incarceration for those who enroll in the program (as compared to the control group). The Harvard Government Performance Lab, who provided technical assistance to the project, drafted a cost analysis analyzing the marginal cost of jail time (including healthcare, food, clothing, bedding, and transportation) which will be used to help determine cost-effectiveness for the Alameda County PFS Project.

### **Los Angeles County**

The Los Angeles County PFS Project is not formally linking measurements of cost-effectiveness to success payments but plans to conduct a broader impact analysis that will analyze service utilization and cost offsets as available.

### **Ventura County**

The Ventura County PFS Project has developed a cost-benefit evaluation that projects a savings generated by participants in the Treatment Group compared to a Control group.

In year three, Ventura County PFS Project has begun developing data to improve analysis of the project's results however, in terms of overall benefit to the County, they will not know the difference in recidivism (re-arrest) rates until after the end of the project.

In the fourth year of the program, the Ventura County PFS Project reports that they have realized savings in program operations due to the intermediary, and the service provider agreeing to defer a portion of their upfront cost until the end of the project. Both also are taking the risk of not getting paid for the amount of the deferral if the outcome goals are not met.

## **Involvement of the Affected Community**

### **Alameda County**

In the Alameda County PFS Grant Project, community involvement has come primarily through the service provider (La Familia) and fiscal manger (Building Opportunities for Self Sufficiency) who provide direct services to the affected community members. Both organizations have frontline staff who are prior participants and/or have lived experience with incarceration.

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The service providers encourage staff members to shape the direction and implementation of program. Additionally, the service provider invites program coaches with lived experience to speak to all project stakeholders (government, subject matters, etc.) to discuss the success stories and lessons learned from their work to help inform improvement areas for the project.

Additionally, early project feedback from service providers and the community contributed to the safeguards for the participant and control group populations which was used in developing the contract with the evaluator.

### Los Angeles County

The Los Angeles County PFS Project is guided by a steering committee that meets bi-monthly and includes members who have experienced homelessness and incarceration. The project employs service providers that have life experiences in these areas as well.

### Ventura County

Ventura County PFS Project conducted two Reentry Community Forums to gain community input to both strengthen and expand the service provider's main treatment model, Core 4 Success.

In year three, a Client Advisory Group convened and provided feedback regarding service delivery and suggestions for improved services. In addition, some participants who have graduated mentor new clients.

In year four as a result of the COVID-19 restrictions, the Client Advisory Group met and then later participated in an online survey format to obtain feedback regarding service delivery and suggestions for improved services.

Additionally, the Ventura County Executive Office has made presentations on the PFS project to several County departments and a group from Australia about how PFS could work for various other projects. The intermediary also partnered with the service provider and published a Blog Post titled "What drives client success in Pay For Success projects?"

### Recidivism Reduction

All three projects are tracking recidivism, though each is measuring and defining recidivism differently. Success payments will be tied to recidivism reduction in all projects. The table below represents the operational definitions used by each county to determine recidivism.

Project	Recidivism Definitions of the PFS Projects
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Ventura County PFS Project	Re-arrests identified as probable cause, warrant, or supplemental booking
Alameda County PFS Project	Any new felony or misdemeanor arrest in California counts as recidivism. This does not include technical violations of supervision requirements, or any other non-statutory criminal conduct, infractions, or technical petition violations.
Los Angeles County PFS Project	Re-arrests as determined through a rate of qualifying return as follows: <ul style="list-style-type: none"> <li>a) Misdemeanor arrests in which there has been a new criminal filing of a violation</li> <li>b) Felony arrests in which there has been a finding of probable cause</li> <li>c) Convictions of a misdemeanor or felony</li> <li>d) Revocation of community supervision</li> <li>e) Flash incarceration of individuals who have violated conditions of parole or probation</li> </ul>

Additional Information

As indicated in previous Legislative Reports, the frontend work involved in developing the PFS Projects is a lengthy and time-consuming process. Raising investor funding, negotiating the financial models, establishing partnerships, protocols and the criteria and metrics upon which success payments are to be triggered is complex. These elements of the project must be fully in place before services can be delivered and actual program launch can occur. This foundational work has consumed nearly a third of the four-year, seven-month project period impacting the time available to achieve and measure outcomes. Despite this challenge, the PFS Projects have made major headway in year four by producing performance outcomes that have triggered the standards for repayment of investor funding.

Highlights of the fourth year include:

- Projects are consistently meeting the performance targets and success payments are regularly being made to investors in accordance with partner agreements;
- All three PFS projects continue to be fully engaged and providing direct services to participants despite the COVID-19 pandemic challenges occurring in year four;
- Two of the three projects have fully met their targeted number of program participants for the grant period;
- Adjustments made in service delivery to meet the safety needs during the time of COVID-19 is proving to have the potential for long-range benefits such as increased client engagement through virtual platforms and collaboration with partners to expedite traditional processes and remove barriers to services;

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- Projects have realized an increase in the number of clients graduating from treatment programs;
  - The project has provided 350 permanent supportive housing slots to program participants; and
  - Each project's independent evaluator is regularly assessing program data to determine repayment of investors based on successful outcomes achieved and are well positioned to complete a final evaluation following the submission of year-five data.

Challenges in the fourth year include:

- In the fourth year each project has dealt with challenges associated with the COVID-19 pandemic and the related social and economic uncertainties that emerged during this time. Delivering services to a vulnerable population in this crisis period forced projects to swiftly recalibrate to meet the needs of participants and staff in new and creative ways while maintaining safety for all. Projects scrambled to provide technological resources to launch virtual case management service and programming. Immediate resources were brought to bear in real-time to meet the critical gaps in services during this difficult time.
- Another challenge was the need for significant and unanticipated resources to support participants that have a high level of mental health needs. Projects have found that the mental health acuity of participants affects the rate of program dropout and enhanced services and support to increase long-term participant retention is needed to achieve better outcomes. Projects are continuing to work with local partners to identify available services and treatment modalities that may help with this concern.

It should be noted that the California Pay for Success Initiative, funded by the James Irvine Foundation and implemented by Nonprofit Finance Fund, has provided flexible funding in the form of grants to all three BSCC selected projects. This funding supported pre-launch and ramp-up period activities while project partners worked on the process raising investor funds and negotiating contracts. This funding has supported unanticipated areas of need identified by the projects such as legal diligence, document drafting, fundraising and additional staffing.

Special thanks should also be extended to the Harvard Government Performance Lab which offered technical assistance to the BSCC as well all PFS projects in the early phases of the project.

## **Conclusion**

In the year ahead, it is expected that projects will continue to meet performance objectives that trigger success payments to the investors. Projects will also continue to expand, improve and adjust program operations and infrastructure as needed. It is anticipated that

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early results regarding the evaluation of outcomes measured after 18 months of participation will also begin to emerge and provide some additional answers as to the level of longer-term success that may be achieved with the PFS Projects.

The fifth Annual Legislative Report will be submitted to Governor and the Legislature in October 2021. For additional information, please contact Colleen Stoner or Kimberly Bushard at: [colleen.stoner@bscc.ca.gov](mailto:colleen.stoner@bscc.ca.gov) or [kimberly.bushard@bscc.ca.gov](mailto:kimberly.bushard@bscc.ca.gov)

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## Appendix A: Assembly Bill 1837: Social Innovation Financing Program, Chapter 802

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An act to add and repeal Title 15.8 (commencing with Section 97008) of, and to repeal Section 97013 of, the Government Code, relating to corrections.

[Approved by Governor September 29, 2014. Filed with Secretary of State September 29, 2014.]

### LEGISLATIVE COUNSEL'S DIGEST

Assembly Bill (AB) 1837, Atkins. Board of State and Community Corrections.

Existing law establishes the Board of State and Community Corrections to collect and maintain available information and data about state and community correctional policies, practices, capacities, and needs, as specified. Existing law also requires the board to develop incentives for units of local government to develop comprehensive regional partnerships whereby adjacent jurisdictions pool grant funds in order to deliver services to a broader target population and maximize the impact of state funds at the local level.

This bill would enact, until January 1, 2020, the Social Innovation Financing Program, and would require the board to administer the program. The bill would, among other things, authorize the Board of State and Community Corrections, upon appropriation of funds by the Legislature for deposit in the Recidivism Reduction Fund, to award grants in amounts of not less than \$500,000 and not more than \$2,000,000 to each of 3 counties, selected as specified, for the purpose of entering into a pay for success or social innovation financing contract, pursuant to which private investors agree to provide financing to service providers to achieve social outcomes agreed upon in advance and the government agency that is a party to the contractual agreement agrees to pay a return on the investment to the investors if successful programmatic outcomes are achieved by the service provider. The bill would limit the total amount of the grants awarded to \$5,000,000. The bill would require each county receiving an award to report annually to the Governor and Legislature on the status of its program. The bill would require the board to compile the county reports and submit a summary report to the Governor and the Legislature annually. The bill would also make legislative findings and declarations in this regard.

#### Digest Key

Vote: MAJORITY Appropriation: NO Fiscal Committee: YES Local Program: NO

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#### Bill Text

The people of the State of California do enact as follows:

#### SECTION 1.

The Legislature finds and declares all of the following:

- (a) It is the intent of the Legislature to establish partnerships between local governmental agencies, private investors, nonprofit organizations, and for-profit service providers to facilitate the use of social innovation financing to achieve measurable social benefits.
- (b) Social innovation financing and the use of performance-based contracting can serve as an effective tool for addressing social and community development challenges where

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private sector innovations may be useful and multiple approaches may be appropriate. Research shows that the selection and design of these types of social interventions should be done with care in order to ensure successful outcomes. Among other criteria, selected projects should meet the following requirements:

- (1) Address social needs that are unmet, high priority, and large-scale.
- (2) Address target populations that are well-defined and can be measured with scientific rigor.
- (3) Result in outcomes that are credible and readily available by cost-effective means.
- (4) Propose interventions that are highly likely to achieve targeted impact goals.
- (5) Be carried out by proven service providers that are prepared to scale with quality.
- (6) Include safeguards to protect the well-being of the populations served.
- (7) Be cost-effective programs that can demonstrate financial savings for government.

## SECTION 2.

Title 15.8 (commencing with Section 97008) is added to the Government Code, to read:  
TITLE 15.8. Social Innovation Financing Program

### **97008.**

For purposes of this title, the following definitions apply:

- (a) "Board" means the Board of State and Community Corrections.
- (b) "Social innovation financing contract," which may also be known and referred to as a "pay for success contract," refers to a contractual agreement between government, private investors, and service providers pursuant to which private investors agree to provide financing to service providers to achieve social outcomes agreed upon in advance and the government agency agrees to pay a return on the investment to the investors if successful programmatic outcomes are achieved by the service provider.

### **97009.**

- (a) It is the intent of the Legislature that as part of the package to reduce recidivism in California, the concept of "pay for success" or social innovation financing should be included to take advantage of available philanthropic and private investment.
- (b) The Legislature hereby declares that a variety of approaches have been shown to be successful in reducing recidivism, including addressing homelessness, substance use disorder and unemployment among specific demographic groups.

### **97010.**

- (a) There is hereby established the Social Innovation Financing Program.
- (b) The board shall administer the Social Innovation Financing Program.
- (c) (1) The board shall solicit proposals for social innovation financing from county boards of supervisors and shall select three counties to receive grant funding.
  - (2) Before awarding a grant pursuant to paragraph (1), the board shall evaluate the quality of the proposal for which the grant is to be awarded.
  - (3) At a minimum, each application for a grant shall include all of the following:
    - (A) A description of the proposed social program.

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- (B) A description of the organization's experience in providing the proposed social program.
  - (C) A description of the financial stability of the organization.
  - (D) An identification of each component of the social program to be provided.
  - (E) A description of the manner in which the social program will be provided.
  - (F) A description of the recruitment or selection process, or both, for participants in the social program.
  - (G) The proposed quantifiable results and performance thresholds upon which success of the social program will be measured.
  - (H) An itemization of all expenses proposed to be reimbursed under the contract.
  - (I) The amount of matching funds provided by the county.
  - (J) A description of how the final payments for successful programmatic outcomes will be calculated and structured in the contract.
  - (K) A description of all parties to the proposed contract, including prospective investors and philanthropic foundations.

**97011.**

- (a) Upon appropriation of funds by the Legislature for deposit in the Recidivism Reduction Fund for the purposes of this title, the board shall award a grant in an amount of not less than five hundred thousand dollars (\$500,000) and not more than two million dollars (\$2,000,000) to each county selected pursuant to Section 97010 for the purposes of entering into a pay for success or social innovation financing contract. The total amount of the grants awarded pursuant to this section shall not exceed five million dollars (\$5,000,000). Any unused state moneys shall revert to the General Fund.
- (b) Each county contract described in subdivision (a) shall include all of the following:
  - (1) A requirement that the payment be conditioned on the achievement of specific outcomes based upon defined performance targets.
  - (2) An objective process by which an independent evaluator, selected by the county, will determine whether the performance targets have been achieved. This process shall include defined performance metrics and a monitoring plan.
  - (3) A calculation of the amount and timing of payments that would be earned by the service provider during each year of the agreement if performance targets are achieved as determined by the independent evaluator.
  - (4) A determination by the county that the contract will result in significant performance improvements, such as a reduction in re-arrests or an increase in the number of jail days avoided, and budgetary savings if the performance targets are achieved.
  - (5) A requirement that an amount equal to a minimum of 100 percent of the Social Innovation Financing Program grant awarded to the county be matched by other county, federal, private, or philanthropic, funds. The board may adopt regulations allowing in-kind contributions in lieu of monetary contributions for this purpose.
- (c) Up to 10 percent of the grant funds awarded pursuant to this title may be used by the counties for administrative expenses related to the development of the pay for success or social innovation financing contract. The remainder of the grant shall be contributed toward final payments to investors for successful programmatic outcomes achieved, as stipulated in the contract.

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(d) If, after receiving a grant pursuant to this title, a county does not enter into a contract for which the grant was awarded, the county shall return all moneys awarded by the board pursuant to this title, to the state.

**97012.**

The board is encouraged to form an executive steering committee with members from relevant state agencies and departments with expertise in public health, homelessness and housing, workforce development, economic development, and effective rehabilitative treatment for adult and juvenile offenders in the evaluation of the social innovation financing program, including, but not limited to, the Governor's Office of Business and Economic Development, the Department of Housing and Community Development, the California Workforce Investment Board, and the Office of Health Equity, to make recommendations to the board regarding the efficacy and viability of proposals.

**97013.**

- (a) Each county receiving an award shall report annually to the board on the status of its ongoing social innovation financing program. The report shall also contain an accounting of the moneys awarded.
- (b) The board shall compile the county reports and submit a summary report to the Governor and Legislature annually.
- (c) A report made pursuant to this section shall be made in accordance with the requirements of Section 9795.
- (d) This section shall remain in effect only until January 1, 2020, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2020, deletes or extends that date.

**97014.**

This title does not create a statutory entitlement to services or any contractual obligation on the part of the state.

**97015.**

This title shall remain in effect only until January 1, 2020, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2020, deletes or extends that date.