

**Cuyahoga County Partners with Third Sector Capital Partners on
Pay for Success Pilot Procurement**

Boston, MA and Cleveland, OH (November 2, 2012) – Cuyahoga County, OH became the first County government in the United States to release a Request for Responses (RFR) for a Pay for Success pilot. Third Sector Capital Partners, a market leader in developing Pay for Success programs, is serving as a technical advisor to the County in this process.

“Pay for Success will allow Cuyahoga County to direct its limited budget towards proven preventive interventions,” remarked Cuyahoga County Executive Ed FitzGerald. “I am eager to work with our valued community partners to improve the lives of our most vulnerable residents while generating valuable fiscal savings.”

Pay for Success (also referred to as Social Impact Bonds) has emerged as an innovative procurement mechanism that increases investments in effective social interventions by focusing on results and outcomes and changing the way government allocates and invests its resources. Under Pay for Success, philanthropic funders and/or investors pay the initial cost for providing a social service, and are reimbursed by the government only if the service provider achieves a predetermined set of outcomes. This new mechanism creates savings for government while scaling social programs with demonstrable impact.

Third Sector Capital Partners has provided Cuyahoga County with technical assistance and a feasibility analysis to prepare the County for release of an RFR. Over the past four months, Third Sector has conducted information and listening sessions with more than a hundred community organizations and senior County Health & Human Services directors. The George Gund Foundation has generously supported Third Sector’s work with Cuyahoga County.

“Cuyahoga County has reached a milestone in becoming the first County Government in the nation to implement a ‘Pay for Success’ initiative. Ed FitzGerald and his staff have demonstrated an inspiring commitment to changing the status quo in their community while making government more effective,” said Third Sector Co-Founder and CEO George Overholser.

The RFR announcement invites a wide array of service providers, intermediary organizations, and other potential stakeholders to play a role in this Pay for Success initiative. The County is particularly interested in information related to interventions that address the social challenges of child welfare and youth/adolescent mental and behavioral health, but will also consider applications related to other pressing social needs.

Interested parties are asked to submit intent to apply statements by 11/15/2012, with an application deadline of 12/15/2012. The full RFR can be found at <http://opd.cuyahogacounty.us/en-US/buyspeed-info.aspx>.

Third Sector Capital Partners is a nonprofit advisory firm and intermediary that delivers strategic and financial solutions to accelerate America’s transition to a performance based social sector. The Third Sector team is playing a catalytic role in this transformation by arranging and advising on social innovation financing and Pay for Success initiatives across the country. The organization provides transaction advisory services, deal construction, intermediary services, impact evaluation, and fundraising expertise to nonprofit, for-profit, and government stakeholders.

###

Third Sector Capital Partners, Inc.