



Third Sector Capital Partners, Inc. & Actionable Intelligence for Social Policy
Social Innovation Fund Pay for Success Youth Development Competition

Request for Proposals

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Competition Overview

Overview: Third Sector Capital Partners, Inc. (Third Sector) is partnering with the University of Pennsylvania’s Actionable Intelligence for Social Policy (AISP) on a 2.5 year, \$2.4M Social Innovation Fund (SIF) grant to provide technical assistance (TA) to up to five communities nationwide. This joint effort integrates Third Sector's expertise in outcomes-based contracting and AISP's national learning community and curriculum on Integrating Data Systems (IDS) for outcomes. The project will address the challenges of governments interested in measuring and improving two-generation outcomes (i.e., outcomes that foster the well-being of both parents and their children) by combining IDS with Pay for Success (PFS) outcomes-based contracting.

Two-generation Focus Areas (selected examples from Appendix A)
<ul style="list-style-type: none"> • Economic assets (employment, income, childcare, housing, etc.) • Health and well-being (justice, child welfare, preventive care utilization, reduced ER visits, etc.) • Education and training (early learning, academic success, high-school graduation, stable employment, etc.) • Social capital (family engagement, community networks, etc.)

Five communities will be selected to receive technical assistance from both Third Sector and AISP for the October 2017-December 2019 timeframe. To be selected, communities will have demonstrated leadership support for developing an IDS in their community and a commitment to using IDS to improve contracting for two-generation programs. During the technical assistance period, governments will receive support from AISP on how to develop IDS that will link data across individuals within families and across agencies serving multiple family members (a common challenge when working to address the needs of vulnerable children and parents together) in order to measure and track progress towards identified outcomes. Third Sector will work with each community to leverage their data to develop outcomes-based contracts for programs and services focused on two-generation outcomes.

Integrated data systems foster social innovation by accelerating the knowledge-to-practice development cycle. IDS accomplish this by linking administrative data across multiple agencies on an ongoing basis to evaluate how services are being used and to what effect. IDS provide a more complete picture of how different policies and programs affect the individuals they are intended to serve. This in turn equips decision-makers with the actionable intelligence they need to better address the often-interconnected needs of citizens. They can also be used for continuous quality improvement efforts and benefit-cost analysis.

Pay for Success is a model for contracting that has been embraced by jurisdictions across the country. The goal of these contracts is to deploy outcomes-oriented strategies to align resources with results for communities by better measuring and evaluating the impact of social service programs. The process of developing outcomes contracts enables communities to build the capabilities, capacity, and data infrastructure needed to pay for measurable outcomes that improve the lives of their citizens.

By integrating the efforts of building an IDS alongside the development of outcomes-based contracts, both governments and providers will be able to better use data to redirect resources to measurably improve the lives of young children and their families. Project goals include:

- Create a performance feedback loop between public datasets on children and families and the services that are provided to them, providing a comprehensive whole-child, and two generational data views of current outcomes and service needs;
- Launch new PFS projects that utilize data to improve two-generation outcomes for vulnerable children and families and leverage private capital as needed to catalyze that shift.

Background on Third Sector Capital Partners: Third Sector Capital Partners, a 501(c)3 non-profit advisory firm, has a track record of collaborating deeply with communities to re-write how they contract for social services. Third Sector's Pay for Success projects often braid together public funding sources, which has resulted in over \$100M in public dollars towards outcomes-oriented programs. Third Sector is currently working in over 20 communities across the United States to use contracting and finance incentives to align resources with results for communities. Third Sector's team of 40 consultants brings extensive experience managing projects with diverse groups of stakeholders, economic modelling, fundraising, impact investing, evaluation, and data analysis.

Background on Actionable Intelligence for Social Policy: Actionable Intelligence for Social Policy (AISP) is an initiative at the University of Pennsylvania that focuses on the development, use, and innovation of integrated data systems for policy analysis and program reform. In 2009, it established the AISP Network, a professional group of 13 states and local governments that operate robust IDS across the U.S. These jurisdictions, comprising 26% of the U.S. population, have been collaborating for nearly a decade to develop national standards, share best practices, and conduct multisite research projects.

Key Outcomes of Interest: Third Sector and AISP are seeking Applicants that are testing and scaling strategies to improve two-generation outcomes and advance data driven decision-making. Applicants should clearly articulate how the technical assistance services offered through this competition will support existing and/or developing efforts to improve two-generation outcomes, with a particular focus on the types of programs and outcomes outlined in Appendix A.

Services to be Provided: Each Service Recipient will receive a comprehensive suite of technical assistance services valued at no less than \$75,000, and up to \$400,000. The exact type, timing, and amount of services will depend on the specific needs of each Service Recipient. Services will begin by October 31, 2017 and will continue through December 2019. All Service Recipients will receive **both** IDS training/technical assistance from AISP and intensive PFS developmental support/technical assistance from Third Sector as detailed below.

Eligibility Criteria: Applicants must meet the below eligibility criteria to be considered for selection:

1. Lead Applicant (Applicant) must:
 - a. Represent a state-level public entity OR if the primary Applicant is a local jurisdiction (county or city) must demonstrate a sustained partnership commitment from an involved state-level public entity. * State-level Applicants may also choose to partner with a specific county or city if the two-generation program of interest is locally administered and committed to IDS development, as expressed through:
 - Agency executive leadership – demonstration of an expressed commitment by executive agency leaders to IDS creation
 - Key staff – identification of personnel who will play a leadership role in the IDS development effort, including the four individuals who will represent the jurisdiction on the Learning Community team (details below)
2. Proposed area of impact must fall within youth development, and specifically target two-generation outcomes (i.e. priority outcomes related to programs designed to foster the well-being of both parents and children). See Appendix A for example outcomes, programs and data sources).¹
3. Applicant must answer all questions and requests in the application process.

*Commitment from a state-level public entity is required given that many of the primary data sources used to link parents to children in IDS are maintained at the state level (e.g., TANF, SNAP, housing authority, state-funded early childhood programs). A clear commitment from these public agencies is necessary to successfully sustain an IDS capable of informing two-generation policies and programs.

Selection Factors: Applications will be scored out of a total of 100 points. Individuals from Third Sector, AISP, and external subject-matter experts will review and score applications. The readiness assessment framework presented below indicates the measures against which eligible applications will be evaluated throughout various phases of the selection process. The criteria specified below describe the conditions for obtaining full credit under each factor. Applicants are not expected to obtain maximum credit in order to be selected as Service Recipients, since many of these issues will be addressed in the course of technical assistance services. Partial credit may be obtained by demonstrating an ability to meet some but not all of the conditions identified. Selection factors are as follows:

- Factor 1: Demonstrated government and leadership commitment to IDS development and using data for decision-making [35 points]
- Factor 2: Staff capacity and commitment to utilize and leverage TA resources [30 points]
- Factor 3: Technical capacity of government agencies to build and utilize IDS [20 points]
- Factor 4: Identification of populations and outcomes of interest with two-generation focus [15 point]

¹ The definition of youth development for this grant opportunity broadly encompasses programs that serve youth in low-income communities that are traditionally underserved or underrepresented and/or projects supporting and consistent with the mission of the White House Data-Driven Justice Initiative. Youth development programs seek to prepare children and youth for success in school, active citizenship, self-sufficiency, productive work, and healthy and safe lives, including crime reduction initiatives focused on juvenile delinquency and victimization prevention and response.

Application Instructions and Key Dates

Details on how to apply for the Social Innovation Fund Pay for Success Youth Development Competition are provided below. Please review the *Readiness Framework: Description of Selection Factors* section of this Request for Proposals when completing the application. **Completed applications are due Friday, July 28, 2017 by 5:00pm PST.**

Key Dates: The following timeline is subject to amendment. Any amendment will be posted on Third Sector’s website at: <http://www.thirdsectorcap.org/youth-development-competition/>

Social Innovation Fund PFS Youth Development Competition	
June 20, 2017	Application released
June 20 – July 21, 2017	Open information period
Tuesday, June 27, 2017	Informational webinar for interested Applicants, recording will be posted within one week of webinar date
Friday, July 28, 2017	Applications due by 5:00pm PST
July 31 – August 11, 2017	Full application review
August 14 – August 25, 2017	Finalist due diligence interviews
Week of September 11, 2017	Announcement of service recipients
Week of September 11, 2017	Applicant feedback
September 18 – October 13, 2017	Memorandum of Understanding (MOU) between Third Sector and selected sites developed and finalized. TA will commence prior to October 31, 2017

Open Information Period: During the Open Information Period, Third Sector will offer potential Applicants the opportunity to engage with Third Sector and AISP staff to answer questions related to the application criteria. Applicants will be limited to a maximum of 2 hours of engagement time. To schedule, please email SIFcompetition@thirdsectorcap.org.

Application Submission Instructions:

- Applications are limited to 8 pages (single-spaced, Arial or Times New Roman, 12-point font size, one-inch margins, and numbered pages)
- Applications should include a single cover page that includes the information requested in *Appendix B: Application Cover Page*
- Page limit does not include cover page, table of contents, letters of support, or attachments

- Applications must be submitted as a single, searchable .PDF file. Please submit applications to SIFcompetition@thirdsectorcap.org using subject “SIF PFS Youth Development Competition Application Submission”
- Applications submitted after the submission deadline (Friday July 28, 2017, 5:00pm PST) will not be accepted
- Please submit any questions about the application instructions to SIFcompetition@thirdsectorcap.org

Service Recipient Memorandums of Understanding: The terms of the SIF PFS Youth Development award require that each Service Recipient sign a MOU with Third Sector agreeing to certain terms and conditions. These terms and conditions will be sent to finalists for certification before final selection. If selected, Applicants should, to the extent legally permissible, be willing to make key final documents and analyses from the SIF PFS Youth Development Competition technical assistance process publicly available, including, but not limited to, data deployment “blueprints” and analytical reports.

Services to be Provided to Service Recipients

Selected Applicants (Service Recipients) will be committed to two-generation efforts that are designed to coordinate public dollars and programs in order to more effectively improve the well-being of both parents and their children. Service Recipients will have demonstrated leadership support for developing an integrated data system in their community and a commitment to using outcomes-based contracting to improve two-generation policies and programs. Up to five such Service Recipients will be selected and will receive both IDS training and technical assistance and PFS developmental support. These services will focus on the activities below:

By the end of the service term (December 2019), the SIF PFS Youth Development project aims to provide Service Recipients and the PFS field with:

- 1) A framework and plan for developing a specific IDS² structure for each Service Recipient site that will be capable of producing the actionable intelligence, continuous evaluation, and performance monitoring needed to drive improved policy and program decision-making for the improvement of two-generation outcomes
- 2) Increased government readiness to pursue outcomes-oriented contracts that leverage IDS, through the development of community-specific feasibility assessments and contracting blueprints
- 3) An increased pipeline of high-quality, outcomes-oriented projects that leverage IDS to support the improvement of two-generation outcomes, policies, and programming
- 4) If necessary, support to identify and procure for appropriate IDS technology solutions to accelerate outcomes-contracting and policy

Overview and Timing of Services: All Service Recipients will receive **both** IDS training/technical assistance from AISP and intensive PFS developmental support/technical assistance from Third Sector as detailed below. Services will begin by October 31, 2017 and will continue through December 2019.

- AISP will conduct three in-person training sessions (2.5 days each) over the course of the grant period that will require in-person attendance by at least four representatives from the Service Recipient.
- Third Sector will provide intensive, ongoing technical assistance to identify two-generation-focused outcomes of interest for the development of outcomes-based contracts and will complete a PFS feasibility assessment and contracting blueprint. Selected sites will move forward to PFS transaction structuring (i.e. negotiation, drafting, and execution of an outcomes-based contract).

IDS Training and Technical Assistance: Service Recipients will participate in formal IDS training and technical assistance, comprising online courses, in-person training modules, and pre-work and post-work assignments. Sites will identify teams which will be composed of four representatives from each participating jurisdiction. Depending on the jurisdiction, the team might include: a government agency director or policy expert, a research analyst or evaluator, a data infrastructure manager or technologist, and/or legal counsel.

² AISP's required factors for a mature IDS site include: (1) strong executive support for the IDS effort; (2) a governance process that convenes data owners and other stakeholders; (3) the establishment of MOUs with 3 or more agencies that authorize data sharing and data request approval procedures; (4) technological procedures for data transmission, storage, linkage and cohort construction; and (5) sustainable funding for operational and project expenses.

AISP will conduct three in-person training modules over the course of the grant period. Each module will last for 2.5 days, and will include pre-work and post-work assignments so participants can adequately prepare for and apply the learnings of the onsite experience. In advance of the first module, participants will also be required to complete a 3-hour online course that will introduce participants to: (1) Key IDS concepts and actionable intelligence; (2) Legal foundations for IDS, (3) Ethical use of an IDS, (4) Building an IDS, (5) Exemplary uses of IDS for evidence-based problem solving, and (6) Political and economic sustainability. The in-person training modules will cover the following topics:

- i. IDS Governance – including topics such as the purpose, value, and use of an IDS; privacy laws that govern the use of identifiable administrative data; IDS governance models and key IDS policies and procedures; end-user data use licenses (DUL).
- ii. Research and Outcomes Measurement – including topics such as IDS use cases, commonly used IDS data sources and types of data security; processes for data transfer, integration and de-identification.
- iii. Data Linkage and Data Standards – including topics such as data system infrastructure options, data formatting and record linkage procedures, IDS sustainability. Particular focus will include data quality linkage and challenges associated with two-generation outcomes measurement.

If needed, Service Recipients will also receive (i) consultation to determine appropriate technology solutions for data linkage, security and access, based on Service Recipient needs, and (ii) assistance in commissioning the expertise needed to build this identified technology solution.

Outcomes-oriented Contracting Support: Service Recipients will receive technical assistance identifying two-generation-focused programs and outcomes of interest for the development of outcomes-based contracts, as well as a community-specific PFS feasibility assessment and contracting blueprint that seek to leverage IDS for PFS project evaluation and performance monitoring.

As a part of the feasibility assessment, Third Sector will work with Service Recipients to review readiness for outcomes-based contract structuring by assessing six key components: (i) Data/Access, (ii) Population & Outcome Metrics, (iii) Providers & Intervention, (iv) End Payer & Cost/Benefit Analysis, (v) Legal & Regulatory, and (vi) Funder Development. Examples of steps in this feasibility process include:

- **Population & Outcome Metrics:** Determine landscape for two-generation programming and identify specific beneficiary population(s) for a PFS project. This includes: prioritizing parent/child/family-focused outcomes based on impact effect, ability to measure, and stakeholder interest; defining beneficiary population(s) including services/resources accessed and system costs; developing baseline levels and set of targeted near-and long-term outcomes as basis for cost/benefit analysis that may span multiple generations; assessment of service provider capacity and ability to deliver on priority outcome metrics
- **Provider & Intervention Analysis:** Detailed assessment of the track record, priority outcome metrics, cost per-participant, typical intervention effect size, and existing presence of service providers that deliver interventions focused on a two-generation approach in the Service Recipient's jurisdiction

- **End Payer & Cost/Benefit Analysis:** Identification of willing and able end-payer; detailed guidance for how to budget, procure, execute, and fund a multi-year, performance contingent outcomes-based contract; creation of detailed economic model of the flow of funds for a potential project to aid in these discussions; cost-benefit analysis capturing the potential two-generation social and economic benefits and costs associated with delivering the intended project intervention

By the end of December 2018, Third Sector will provide clear and transparent criteria to determine if up to two Service Recipients demonstrate sufficient readiness to move forward to PFS transaction structuring (i.e. negotiation, drafting, and execution of an outcomes-based contract) for a 12-month technical assistance period until the end of the grant period.

Learning Community Support: Throughout the entirety of the award period (October 2017-December 2019), all Service Recipients will benefit from participation in a national Learning Community that will draw from the networks of SIF, Third Sector, and AISP. The Learning Community will consist of a national cohort of communities seeking ways to establish IDS and pursue outcomes-oriented contracting to improve outcomes. Participation in Learning Community events and convenings will provide Service Recipients with the opportunity to exchange lessons learned and strengthen relationships with other stakeholders developing and using IDS to support policy analysis, program reform, and outcomes-oriented contracting.

Readiness Framework: Description of Selection Factors

Factor 1: Demonstrated government and leadership commitment to IDS development and using data for decision-making [35 points]

Applicants must demonstrate a track record, current efforts, and capacity to commit key resources, develop critical partnerships, and pursue innovative approaches for developing a tech-enabled ecosystem capable of turning data into actionable recommendations to improve outcomes.

- Demonstrate support for IDS development from key stakeholders such as government officials (e.g., a governor, legislative body or agency heads), service providers, or other relevant organizations such as university and/or philanthropic partners. Note: Applicants are encouraged to include documentation of this support through Letters of Support with their applications
- Describe the commitment from Applicant leadership to implementing **both** data integration and outcome-oriented contracting strategies. Specifically, how does the Applicant plan to connect integrated data systems and program evaluation with contracting for services?
 - Describe progress and future plans for the IDS development process and outcomes-based contracting beyond securing buy-in from senior leadership. This could include any preliminary meetings of an IDS planning body, analytic priorities for the IDS, and potential data sets to include
- Describe community-level partnerships in place such as:
 - Leadership from service providers interested in and able to pursue outcomes-based contracts
 - Foundation or local funding partners interested in supporting these efforts and/or examples of how they have supported these efforts to date
- Outline any potential limitations/barriers to implementing the project successfully (e.g. political, legal, other barriers; financial and technical barriers)

Factor 2: Staff capacity and commitment to utilize and leverage TA resources [30 points]

- Describe the Applicant's willingness to commit dedicated staff to support the project (e.g. senior leadership, youth development/subject matter experts, project lead(s), and other key interdepartmental liaisons). Describe the Applicant's plan to commit supporting staff (with designated time and capacity) that:
 - Collaborate across multiple agencies/departments (e.g. budget; procurement)
 - Hold decision-making authority with contracts, quality assurance/performance management, and demonstrate a willingness to develop outcomes-based contract models
- Identify an individual point of contact/coordinator for this effort and ideally commit to seeking funding to support a .5 FTE (such as an IDS Director) that will sustain the outcomes of the effort after the end of the grant period
- Make the case for four specific staff members who will actively participate in the in-person IDS training workshops. Participants should represent a multi-disciplinary team, such as an agency head or policy expert in the lead agency, a research analyst knowledgeable about the research and evaluation needs of the state/local government, a data scientist in an IT data governance role, and/or a legal counsel. One person on the team should represent an agency/department focused on two-generation outcomes.

Factor 3: Technical capacity of government agencies to build and utilize IDS [20 points]

- Describe the Applicant’s current IT/data infrastructure and identify specific opportunities where the technical assistance and services offered through this competition may have the largest impact.
Note: It is recommended that sites are able to demonstrate the technical capacity in place to effectively build and utilize an IDS OR a track record of being able to successfully integrate data sources or recording linking of data for previous efforts
- Cite qualifications and any prior experience, if applicable, with: database management (i.e. establishing data sharing agreements, data portals, using workflow applications, establishing secure/private data transmission infrastructure); linking database systems; and defining/managing data ownership, security, and privacy policies
- Detail Applicant’s capacity to access, share, manage, and interpret various data sources:
 - Detail the Applicant’s ability to obtain direct, ongoing access to relevant data sources
 - Describe the Applicant’s ability to share data and/or its relationship with key data authorities at the state/local level
 - Provide examples of any data-sharing and data system integration efforts pursued by the Applicant, data and evaluation collaborations with local service providers, research institutions, and/or other nongovernmental agencies

Factor 4: Identification of populations and outcomes of interest with two-generation focus [15 points]

- Describe a clear vision for how the technical assistance and services provided will advance existing and/or developing efforts to improve two-generation outcomes, with a particular focus on the outcomes outlined in Appendix A. Please include the following:
 - Clear definition of target outcome(s) of interest, geographic service(s) area, and intended beneficiary population for a current or potential project
 - Articulation of how technical assistance will accelerate/catalyze existing or developing two-generation efforts and services being deployed to improve outcomes for the intended beneficiary population
 - Clear description of potential impact and scalability of the envisioned project
- Provide detailed information regarding current measurement and evaluation capacity, including:
 - An overview of the current capacity of the Applicant and local service providers to measure, track, and evaluate the identified two-generation outcomes using data, including which measurement tools are currently in place
 - Description of previous evaluation efforts or study that supports at least primary evidence of the effectiveness of the proposed two-generation intervention (e.g. cites a published, quantitative or qualitative research study that describes the intervention and its outcome on a specific population)
 - Identification and description of current gaps for improvement in two-generation approaches and how technical assistance and services could help address these gaps

Note: Additional two-generation services and outcomes not captured in Appendix A may be proposed for consideration on a case-by-case basis

Appendix A: Two-Generation Target Outcomes and Example Programs/Services*

Two-generation Focus	Example programs and services	Outcomes	Example data sources for outcomes**
Economic assets	<ul style="list-style-type: none"> - Childcare subsidies and tax credits - Housing - Transportation - Financial education and asset building - Food assistance (e.g., WIC, SNAP) - Student financial aid 	<ul style="list-style-type: none"> - Stable employment - Stable income - Enrolment in high-quality childcare - Reduction in long-term public assistance 	<ul style="list-style-type: none"> - Unemployment insurance wages - Early childhood programs (e.g., Head Start, public preschool) - Public assistance (e.g., TANF, Medicaid)
Health and well-being	<ul style="list-style-type: none"> - Mental health services - Trauma reduction - Health insurance access - Public health programs - Family planning 	<ul style="list-style-type: none"> - Reduced involvement in juvenile justice or prison systems - Reduced involvement in child welfare system - Reduced ER visits - Preventative care utilization 	<ul style="list-style-type: none"> - Juvenile justice (courts or services) - State prison or county jail - Health service (e.g., Medicaid, SCHIP, all payer claims, EMS) - Child welfare
Education and training	<ul style="list-style-type: none"> - Early intervention - Home visiting - Early childhood programs - K-12 education - Postsecondary and workforce development - Family literacy 	<ul style="list-style-type: none"> - Academic success and high-school graduation - Stable employment - Reduced involvement in child welfare system - Reduced involvement in juvenile justice or prison systems 	<ul style="list-style-type: none"> - K-12 public education - Child welfare - Unemployment insurance wages - Juvenile justice (courts or services) - State prison or county jail
Social capital	<ul style="list-style-type: none"> - Community-based organizations - Leadership and empowerment - Cohort models or learning communities - Family engagement 	<ul style="list-style-type: none"> - Stable employment - Reduced involvement in child welfare system - Reduced involvement in juvenile justice or prison systems 	<ul style="list-style-type: none"> - Unemployment insurance wages - Child welfare - Juvenile justice (courts or services) - State prison or county jail

* Categorizing of two-generation programs and services based on the two-Generation framework of Ascend at the Aspen Institute.

** The ability to link two generations in a single data source is historically limited, and is typically feasible in birth records, child welfare records, public housing records, and TANF (others may exist on a state-by-state basis). However, once families are linked through one of these data sources, outcomes can be obtained for children and parents separately through a variety of publicly maintained data sources.

Appendix B: Application Cover Page

Please answer all of the questions listed below and include responses in the application as detailed in the *Application Instructions and Key Dates* section above.

1. Applicant information
 - a. Agency or organization name:
 - b. Location (state, county, city):

2. Please indicate which type of organization serves as the Applicant for the submission
 - City/County Agency or Department
 - City/County Executive Office
 - State Agency or Department
 - Other _____

3. Please include Applicant point of contact
 - a. Name
 - b. Title
 - c. Phone number
 - d. Email address
 - e. Address

4. If you are already engaging with partner agencies to develop an IDS, please list those partners here including name of agency, type of agency (typical examples include health, human services, education, housing, workforce, justice, etc.), and whether or not they have provided a letter of support.