

LISC taps \$1.3 million Social Innovation Fund grant to support three Pay for Success models

Funding focuses on promising programs in Washington, D.C., Michigan and Maine

NEW YORK (February 22, 2017)—The Local Initiatives Support Corporation (LISC) has selected three social services agencies developing Pay for Success (PFS) programs focused on disconnected youth, chronic health challenges and children at risk of entering foster care to receive technical assistance from LISC to launch their programs.

LISC will use its \$1.33 million federal grant from the Corporation for National and Community Service's (CNCS) Social Innovation Fund (SIF) to help the organizations design first-time PFS programs—efforts that connect government funding directly to outcomes. Program efforts are funded upfront through loans, grants or other private-sector investments with government providing payment for successful outcomes as specific benchmarks are met.

LISC will help the providers structure their PFS programs, raise private capital and develop the capacity and infrastructure to produce the metrics needed to demonstrate results. The grantees announced this week include:

- **Latin American Youth Center (LAYC)**, which has developed a mentoring and advocacy model for at-risk disconnected teens and young adults in Washington, D.C., which it is attempting to scale. Called the Promotor Pathway Program, LAYC's program is based on case managers who provide support over a period of four to six years to help the District's most vulnerable youth succeed in school, find and hold jobs and live healthy productive lives. LAYC expects to measure outcomes based on participants' increased academic success, improved employment status, and improved healthy behaviors.
- **National Kidney Foundation of Michigan's Diabetes Prevention Center**, which is planning to launch a year-long lifestyle change program for 3,500 Michigan residents at risk for Type 2 diabetes. Measurable outcomes could include weight loss and participation in healthy food/lifestyle classes with the goal of slowing fast-rising rates of diabetes, as well as other related health problems.
- **Safe Families for Children**, which is replicating its Safe Family Volunteer model in low-income urban and rural communities in Maine. The program hosts children who are on the edge of entering the foster care system and creates extended family-like supports that can keep children safe while working on support strategies for parents to keep families together. Measures of success will focus on the number of children kept out of the foster care system.

"PFS programs are complicated, often requiring close collaboration between public and private entities to determine and achieve quantifiable and measurable program outcomes. But they are also frequently on the cutting edge of scalable program design and delivery that address critical concerns in our communities," said Lois Nembhard, Acting Director of the Social Innovation Fund at the Corporation for National and Community Service. "We're

eager to see the local providers tap into LISC's deep experience so that they can help people live better, while also testing approaches that could have broad application in other places."

For LISC, the challenge of fueling economic opportunity and social progress is nothing new; since 1990, the organization has invested more than \$16 billion to address some of the country's most challenging issues. But Pay for Success is a different approach both for providers and for LISC, noted Elise Balboni, LISC's Senior Vice President for Lending.

"LISC isn't just playing the traditional role of a community development intermediary," she said. "In many ways, we are acting more like a nonprofit investment bank--providing expertise to help structure programs, helping organizations go out into the market to raise capital, finding ways to quantify impact and reporting outcomes to investors, government partners and the field as a whole."

SIF has been an important driver of PFS expansion nationwide, as well as a vital partner in much of LISC's work to help low-income Americans more fully participate in the country's growing prosperity, noted Maurice Jones, LISC President and CEO.

"SIF recognizes what we have long known--there are innovative programs that do, in fact, help people build their incomes, improve their health, make their communities safer and give children opportunities they never had," Jones said. "We have to find ways to help bring these programs to scale so that more people and places, can benefit. It's an economic imperative for families, and for the country as a whole."

Since its inception in 2009, the SIF has grown into nearly a \$1 billion social impact incubator within the federal government, creating public-private partnerships that deliver high-impact, community-based solutions that work. As a result of \$341 million in federal grants and more than \$672 million in non-federal match commitments, the SIF has awarded 51 grants to grant making institutions supporting over 490 non-profits working in 41 states and the District of Columbia.

About LISC

LISC equips struggling communities with the capital, program strategy and know-how to become places where people can thrive. It combines corporate, government and philanthropic resources. Since 1980, LISC has invested \$16 billion to build or rehab 350,000 affordable homes and apartments and develop 55 million square feet of retail, community and educational space. For more, visit www.lisc.org.

About the Social Innovation Fund

The Social Innovation Fund is a program of the Corporation for National and Community Service, a federal agency that engages millions of Americans in service through AmeriCorps and Senior Corps, and leads the nation's volunteering and service efforts. SIF fosters public and private collaboration to identify and support sustainable solutions that make a significant impact in transforming communities. For more information, visit NationalService.gov/Innovation