A Review of Social Impact Bonds:
Financing Social Service Programs through Public-Private Partnerships

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Executive Summary

The Austin/Travis County Reentry Roundtable (A/TCRRT) works to bring partners and stakeholders together to strategically develop systemic changes that help formerly incarcerated individuals reintegrate into the community. The Roundtable is considering the potential of social impact bonds (SIBs) as a financing mechanism for services to individuals experiencing criminal justice reentry barriers.

Social impacts bonds, also known as Pay for Success or Pay for Performance, are an innovative financing mechanism implemented to address current social issues through public and private partnerships. A SIB is the arrangement among one or more government entities and an external organization, or service provider, in which the government specifies an outcome to be achieved by the external organization. Financial investors fund the project. An intermediary organization is often contracted to secure the financial investors and manage the transfer of funds. The government agrees to pay a specified amount to the investors at a predetermined time if the outcome is achieved. If the outcome is not achieved, the government does not pay for the contracted services.

This report provides a brief history of the SIB concept and documents current SIB initiatives and legislative efforts within the United States. Given the recent emergence of SIBs in the United States, there is a lack of conclusive evidence on their effectiveness. The report also presents the advantages and disadvantages of SIBs and offers recommendations for A/TCRRT based on the current knowledge that is available.

This project is the product of a collaborative effort funded by Travis County Criminal Justice Planning.
**Introduction**

Social impact bonds, or SIBs, are an innovative financing model used to fund social service programs. This emerging concept is a partnership between governments (usually at the state or local level), private investors, and social service providers who have a common mission to alleviate social problems, such as high recidivism rates, homelessness, unemployment, and education inequality. The first SIB programs have been implemented over the past three years. Results from these programs are highly anticipated by governments that are interested in investing resources in these evidence-based, privately funded programs. This paper discusses the basic concept of social impact bonds, the history and origin of social impact bonds, legislative action related to SIBs, and advantages and limitations to this burgeoning model. The research team also provides a summary of programs in progress, comments on privatization of government institutions-namely prisons- and the research team’s recommendations for groups interested in investigating the feasibility of implementing a social impact bond program.

**Description of Social Impact Bonds**

Social impact bonds (SIBs), also called Pay for Success and Pay for Performance programs, are a recent concept in the social service and public sectors. The name, social impact bond, can be misleading as they are not bonds in the traditional sense. A bond, as it is normally understood, occurs when an issuer takes out a loan from a bond holder. The issuer is obliged to pay back the loan plus interest at a later date. In SIB programs, a government entity, either by itself or through an intermediary, secures funding for a program through investors. The government entity only repays the initial investment, plus a specified amount, if contractual obligations are met.
Four key players in the SIB model are a government entity, a private-sector financing intermediary (also called a social impact bond issuing organization), private investors, and service providers.\(^1\) The basic structure of social impact bond programs is as follows:

…Philanthropic or private sectors provide capital, and non-profits implement carefully crafted programs that have been successful elsewhere. All of the stakeholders agree to the same performance indicators, which are assessed by a third-party organization well-versed in evaluating success in the particular area (e.g., an anti-poverty center). The government only pays for the programs that achieve measurable progress. (p. 68)\(^2\)

The following diagram from Jay Liebman’s Social Impact Bonds (2011) shows a basic form of the model:

The SIB process is initiated when a government entity identifies a social service issue, or problem, which they want to address through the use of a social impact bond program. These issues can include areas such as childhood education programs, chronic homelessness, services for seniors, infants, and families in crisis, the unemployed, health care, criminal justice and


juvenile justice. The government then contracts with an intermediary who secures funding through investors. The intermediary selects and contracts with service providers, paid for with the funding from the investors. The service provider implements programs addressing the identified social service issue or problem. At the end of the contract, and upon the achievement of the specified outcome, the government pays back the original investment plus an agreed upon return on investment as specified in the contract.

A contract is written between the government and the intermediary that specifically details all aspects of the SIB. “The contract signed by the government agency and the external organization is critically important to the success or failure of a Social Impact Bond” (para. 3).3 The contract states specific, measureable goals that are to be obtained by the service provider. The contract also states that if the service provider meets or exceeds contractual goals then the government pays the intermediary, or service provider if no intermediary was used, up to the maximum payment as specified in the contract. The intermediary then repays the investor the original investment amount, plus a pre-determined return on their investment. If the contractual expectations are not met, the government does not pay for the service, and the private investor bears the financial loss under these circumstances.

Another key player in the social impact bond process is an independent evaluator. An SIB contract identifies an independent evaluator to monitor the success or failure of the program. SIB supporters have recommended involving the evaluators in the negotiation phase of the contract. In addition, it was suggested that one place to look for evaluators is in the academic arena. Economic departments often times retain past evaluations of social programs, and they

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understand the significance of randomized control trials. These departments can be strong allies for programs that are in need of accurate, reliable and valid measurement instruments. Academic programs can be identified based on the social condition that the SIB is addressing, as well as the intervention method that the program employs. Payment for the evaluators can be included in the contract.

**Origin of the Social Impact Bond Concept**

The SIB concept originated in the United Kingdom in 2007 in response to Prime Minister Gordon Brown’s request for the Council of Social Action “to generate initiatives through which government and other key stake holders could develop and celebrate social action” (p.2).4 The first social impact bond program was implemented at St. Peterborough Prison in the United Kingdom (UK) in 2009 with services starting in September 2010. The program targets men who were at least 18 years of age when they were originally sentenced. The program’s goal is to reduce recidivism rates among this cohort of inmates. This pilot program provides a template for SIB programs being implemented in other locations and with different social service goals. The U.K. Ministry of Justice, Social Finance (U.K.) and other investors, otherwise called the Big Lottery Fund, or One Service, are the social impact bond-issuing organizations.5 The following overview of the features of the St. Peterborough Prison is a direct reference from a 2013 article by the Centre for Social Impact Bonds and gives a few examples of the specific of details that are needed when writing an SIB contract.

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• Cohort: Male prisoners at least 18 years of age at the time of sentencing; sentenced for a consecutive period of less than 365 days; and discharged from HMP [Her Majesty’s Prison] Peterborough after serving the sentence referred to above (or any part thereof) at HMP Peterborough.
• Size: Three cohorts of approximately 1,000 men. Each cohort closes after two years, or when 1,000 offenders have been discharged-whichever happens first
• Timeframe: Eight years (six-year intake period or seven-year service period plus data matching and verification)
• Measure: Number or reconviction events for offences committed in the 12 months following release
• Target: 10% reduction in number of reconviction events for each individual cohort, or 7.5% reduction across the three cohorts combined
• Comparison: A similar group of short-sentenced male prisoners across the U.K. drawn from the Police National Computer – the SIB cohort will be matched with up to 10 comparators for every one cohort member
• Evaluator: University of Leicester with QinetiQ will verify the results (report on proposed methodology) and RAND Europe will evaluate wider effects
• Payment by Government: The outcome payments will be made by the MoJ [Ministry of Justice] and the Big Lottery Fund (RAND Europe, 2011). Payments are capped at £8 million (Strickland, 2010)
• Investor return: -100% to 13% IPR [Original investment amount £5 million, approximately $7,930,000 US dollars]6

The social impact bond concept, as well as the St. Peterborough Prison pilot program, is still in its infancy; therefore, there are not yet any evidence-based results showing the efficacy of these programs. The first results are expected to be available in 2014. While the St. Peterborough Prison pilot program has not yet reached its conclusion, unverified interim results as of June 2013 show a 6% decline in reconvictions per 100 prisoners compared to a 16% increase nationally.7 Comparing the St. Peterborough pilot program to a comparison group lends more authority to the final results of the program increasing its evidence base.

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The first SIB program in the United States was launched by New York City with the goal of reducing recidivism rates of young adults at the Rikers Island Correctional Facility.\(^8\) In a press release, dated August 2, 2012, from the New York City Office of the Mayor, the Rikers Island program was announced.

Currently, nearly 50 percent of adolescents who leave the New York City Department of Corrections return within one year. The new program announced today, ABLE, aims to reduce the likelihood of re-incarceration by providing education, training, and counseling to improve personal responsibility skills, including decision-making and problem-solving. (p. 2)\(^9\)

While the Rikers Island program is similar to the St. Peterborough program in its goal to reduce recidivism rates, its setup differs from what has become a more traditional model of SIB programs. Goldman Sachs is the only investor for the Rikers Island program. In a traditional SIB program, the investor incurs the risk that the program may not be successful. If the program is not successful the government, in this case New York City, owes the investor nothing. If the program is successful the investor will receive its original investment back, along with a pre-determined return on its investment. The return on its investment is specified in the original SIB contract. The difference in the Rikers Island program is that Bloomberg Philanthropies is guaranteeing 75% of Goldman Sachs initial investment, meaning that the risk of losing its investment, should the program be unsuccessful, is not as great as it would be in a traditional social impact bond program.\(^10\) Other aspects of the program coincide with the more widely


accepted aspects of SIB programs, such as a defined time period of four years, an independent evaluator (the Vera Institute of Justice), and a clearly defined goal to lower re-incarceration rates by more than 10%.11

Legislative Action

Social impact bonds as an emerging trend of public-private partnership requires legislative consideration at various stages in the implementation process to ensure success. Legislation may be needed to address the fact that contracts between the governments, intermediary, and service provider are legally binding and could result in adverse consequences for governing bodies that are unprepared to accommodate the demands of these contracts. A government’s ability to allocate the necessary funds and to pay an investor within the agreed upon financial framework is key to the success of the social impact bond model as a whole. If current programs demonstrate that financial feasibility is a struggle for governments, private companies may be deterred from supporting future social impact bond programs. Legislation at the state level ensures that city and state governments are logistically and financially able to pay the private sector investors when specified outcomes are achieved.12

Several states are pursuing, or have enacted, legislation to create the financial pathways that support the SIB model in order to demonstrate commitment and financial feasibility to potential private sector investors. Some states have also created legislation that outlines credit

rating consequences if it fails to pay a financial entity in accordance with the terms in the SIB contracts. Other states are focusing on creating task forces to study the current social service environment and interest from the financial sector to establish social impact bond programs.¹³

In 2011, the Minnesota State Legislature passed the Pay for Performance Act. This legislation focuses on a social finance pilot program with a goal to target workforce development and to fund supportive housing. The law’s enactment approved $10 million in Human Capital Performance (HUCAP) bonds to fund the project pilot.¹⁴ This legislation is a variation on the social impact bond model because, in this case, the state government pays the private investor for their contribution to the program, but the service provider is only paid based on the success of the program according to pre-established performance measures.¹⁵ This approach seeks to establish the state government’s commitment to supporting projects that could eventually garner more private investment. The legislation is also a preliminary indicator that the government has the financial capacity to pay a return on investment to private investors upon successful completion of a project. Allocating funds and working with private nonprofit service providers is an incremental step toward a fully funded social impact bond program.¹⁶

The state of Connecticut received legislative approval in 2013 to implement a social impact bond program focusing on reducing recidivism and unemployment among ex-inmates. The governor, Daniel Malloy, is pursuing conversations with Social Finance U.S., which is the

Several state legislatures have introduced legislation aimed at implementing feasibility studies to investigate the SIB concept. Hawaii passed legislation in 2013 to support a feasibility study aimed at exploring the logistics of implementing a social impact bond program to fund early learning programs and services in the state. The bill states that the study should identify a group of investors, inside and out of the state, who are likely to become involved in providing resources. Another aspect of the study will include the state’s ability to administer a social impact bond program. The legislative action will examine how a program could maximize state resources in order to achieve the goals of the Executive Office on Early Learning while stimulating expansion in the private sector. The study will also identify the scope of the population that will receive early learning intervention as a result of a social impact bonds implementation.

Maryland’s Senate Committee on Budget and Taxation began examining the feasibility of social impact bond legislation in February 2013. In March 2013, John Roman, a senior fellow with the Urban Institute at the John Jay College of Criminal Justice, gave testimony to the Appropriations Committee of the Maryland House of Delegates on HB 951. The bill’s objective was to establish a task force to study social impact bonds. The task force was to be comprised of

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two members of the Senate, two members of the House of Delegates, a representative of the Department of Business and Economic Development, a representative of the Office of the Comptroller, a representative of the Maryland Association of Nonprofit Organizations, and two individuals appointed by the Governor with knowledge in grant making or private equity. The bill did not progress past its first reading in the House Appropriations Committee.\textsuperscript{21}

New Jersey advanced social impact bond legislation in December 2012.\textsuperscript{22} The bill, A3289, established a five-year pilot program allowing private entities to provide funding for public needs through pay-for-success agreements. The bill passed through the Commerce and Economic Development Committee and will face consideration by the Assembly Appropriations Committee.\textsuperscript{23,24}

Utah has taken legislative steps to implement a social impact bond program related to improving early childhood education outcomes.\textsuperscript{25} In June 2013, the Salt Lake County Council voted to allocate $300,000 to begin implementing a program with Goldman Sachs and Chicago venture capitalist J.B. Pritzker as investors. The legislature voted against a bill proposed by state Senator Aaron Osmond to make state funding available for the program. The measure will come up for a vote again in January 2014.

The Massachusetts legislature passed substantial new legislation to support an SIB program in early 2012.\textsuperscript{26} The state passed legislation entitled “Social Innovation Financing Trust.” Its aim is to establish legislative and fiscal infrastructure for the successful payments of annual appropriations made to investors in social impact bond agreements. The appropriation amounts are determined by the final payout set in the contract. This legislation was an important step to ensure that the government is financially prepared to pay for success at the designated time. The legislation creates credibility for the government, in the context of social impact bond contracts, to provide more incentive for investors to commit to the agreement. The language of the bill also included a “full faith and credit” component. This component outlined that a failure to pay for the agreed upon success measure would negatively impact the state’s credit rating. This accountability measure is also intended to increase the desirability factor for potential investors.\textsuperscript{27}

**Advantages of Social Impact Bonds**

In comparison to other financing mechanisms, the SIB model offers multiple advantages. One advantage is that SIBs are designed to address current social issues by combining both evidenced-based solutions with economic gains.\textsuperscript{28} In addition, SIBs are results and outcome oriented. The programs and services funded through SIBs are developed with the intent of

achieving an impactful and measurable result. Another advantage of SIBs is that they shift the monetary risk away from the government and onto private investors. By requiring government entities to only pay investors for successful SIB programs, the investors are placed in the position to absorb lost capital for unsuccessful programs. This, in turn, ensures that taxpayers’ dollars are spent on services that are achieving intended goals. The SIB model also provides flexibility for the key players to customize the services provided, mode of delivery, specification of outcome goals, and length of time to meet the specific needs of the target population within a locality.

Limitations and Barriers of Social Impact Bonds

Social impact bonds present some limitations and barriers that need to be addressed during the negotiation, development, and implementation phases. One previously noted limitation is that conclusive evidence on the effectiveness of SIB programs is minimal. Due to the recent emergence of the SIB concept, all current programs are still within the contracted time period; therefore, evaluations showing program results are not yet available for completed SIB programs. In response to the newness and limited knowledge of the concept, investors may be resistant to funding SIB programs. One possible explanation is that investors may be skeptical about a government entity’s ability to provide payment upon the achievement of the specified

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goals and the completion of the contract period. Another limitation of the SIB model is that it presents the risk of investors terminating funding for programs and breaching a contract prior to the stated timeframe for completion. This breach may occur if it becomes apparent that the specified goals will be unattainable by the end of the contract period. Some current SIBs programs have incorporated specifications within the contract preventing investors from taking such action. In terms of funding, it should be noted that government appropriations are likely to be a displacement from other budget items rather than an increase in total expenditures. Another potential barrier in seeking support for SIBs is that some target populations, such as ex-offenders, and providing services for them could be considered politically unpopular.

Current Programs Under Development

Seven state and local governments were researched in depth as the foundation for SIBs in the United States. These governments include Colorado/Denver, Illinois, Massachusetts, Michigan, New York State, South Carolina, and Connecticut. Other governments have shown interest in initiating SIB programs; however, they are in the initial phases of the process and limited data is available on these programs. They include:

- California: Pilot program to reduce medical costs for children with asthma
- Hawaii: Legislation introduced to conduct a feasibility study on SIBs (2013)
- Maryland: Considering SIB legislation (2013)

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- Minnesota: Passed legislation to establish a SIB pilot program (2011)
- New Jersey: Approved the Social Impact Bond Act to establish a SIB pilot program (2012)
- Ohio: Cuyahoga County issued a request for proposals to fund SIB programs (2012)
- Oregon: The governor’s 2013-2015 budget proposal included money to cover the cost of a pilot SIB program
- Rhode Island: Currently exploring feasibility of SIB programs
- Utah: Considering SIB legislation. Investors and legislators have come together to demonstrate interest in a SIB program
- Washington, D.C.: Initiated a feasibility study of SIBs

**Denver, Colorado**

The Denver, Colorado social impact bond program was initiated through the City of Denver Office of Human Rights and Community Partnerships. While no specific program or target population has been selected, the city has expressed interest in early childhood education, at risk youth, supportive housing and homelessness prevention. In September 2013, the City of Denver issued a Request for Information (RFI) to gather information from individuals and organizations interested in participating in their SIB program. The RFIs were due on October 15, 2013. No information has been released on the results of the RFI.  

**Connecticut**

The Connecticut program was initiated through the Connecticut Department of Children and Families (DCF) with the goal to treat parents with substance abuse issues in order to improve the lives of their children and families. The specific target population is substance abusers that are affiliated with the state’s child welfare program. Connecticut is receiving assistance from the Harvard Kennedy School Social Impact Bond Technical Assistance Lab. On November 1, 2013,

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Connecticut issued a Request for Information. The specifics of the contract have not been released.\(^{38}\)

**Illinois**

The Illinois social impact bond program was initiated through the Governor’s Office of Management and Budget (GOMB). A Request for Information was released on May 3, 2013, with a submission deadline of June 14, 2013.\(^{39}\) As a result of the RFI, two specific issues were chosen as targets of a social impact bond program. The issues are:

1. Increasing placement stability while reducing re-arrests for youth with histories of justice-involvement in the Illinois Department of Children and Family Services
2. Improving the educational achievement and living-wage employment opportunities justice-involved youth at high risk of recidivism upon returning to their communities, in order to reduce recidivism rates.\(^{40}\)

A Request for Proposals (RFPs) from individuals or entities able to partner with the state on a social impact bond program was issued on September 27, 2013. The GOMB is targeting evidence-based programs which have shown measurable success.

**Massachusetts**

The state of Massachusetts’s Executive Office of Administration and Finance issued a Request for Information in May 2011 for SIB project ideas.\(^{41}\) In January 2012, Massachusetts

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Social Impact Bonds
became the first state to pursue SIBs through a competitive procurement process by issuing a Request for Responses (RFR). The state decided to focus program intervention on chronic homelessness and juvenile justice. In August 2012, the state announced the selection of partners for a SIB targeting each area. To address homelessness, the Commonwealth is partnering with the Massachusetts Housing and Shelter Alliance (MHSA), which also partners with the Corporation for Supportive Housing, Third Sector Capital Partners, and the United Way of Massachusetts Bay and Maverick Valley. The project’s goal is to house 400 chronically homeless individuals over a three-year period. To address juvenile justice, the Commonwealth selected Third Sector Capital Partners, in partnership with New Profit, Inc., to be the intermediaries. Roca, Inc. and Youth Options were selected to be the service providers. The project’s goal is to serve 900 at-risk youth over a four-year period, in order for them to avoid recidivism for 48 continuous months.

**Michigan**

The state of Michigan, through the Department of Technology, Management & Budget Procurement, released a RFI on September 9, 2013. The state has identified two potential areas of interest: criminal justice and human services. However, the RFI was not limited to these two

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areas and was open for interested parties to submit information related to opportunities in other areas. The RFI is intended to determine how much interest there is from potential investors, and the public, in initiating a social impact bond program. Joe Pavona, special advisor to Governor Snyder, notes that budget issues have limited the amount of money Michigan can invest in social programs and implementing social impact bonds is a way for private investors to provide assistance. No information has been released on the results of the RFI; however the state has noted it hopes to narrow the projects down to two or three by the end of 2013.

**New York**

The state of New York, through the Division of Budget, issued RFPs on July 31, 2013. The state’s 2013-2014 budget includes $30 million to be disbursed over the next five years on social impact bond programs targeting health care, child welfare, early childhood development and public service. In comparison to other states, New York State was specific in terms of what must be included for any RFP to be considered. These specifics include:

1. Applications must clearly identify an intermediary.
2. Applications must clearly define one or more initial service provider organizations.
   a. It is permissible for a single entity to propose to take on both roles.

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b. It is permissible for a lead organization to propose to fulfill one of the roles [intermediary or service provider], and to obtain the additional capacity necessary to fulfill the other role through pre-specified consulting or subcontracting arrangements.49

The RFPs were due on September 13, 2013; no information on the results has been released. New York State plans to implement one to two social impact bond programs as soon as possible; however, this will depend on the quality of submitted RFPs and the availability and authority of funding.50

**South Carolina**

The state of South Carolina, through the Department of Health and Human Services released a RFI in September 2013 with the issue area identified as controlling costs and improving the health of mothers and babies enrolled in South Carolina’s Medicaid Program.51 The RFIs were due on November 1, 2013. No information has been released on the results of the RFI.

**Social Impact Bonds in the Context of the Privatization of Prisons**

When considering social impact bonds as a strategy to reduce recidivism rates, it is important to address the question of how this financing mechanism could be related to the

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privatization of prisons. In the early 1980s, the concept of the privatization of prisons emerged in the United States in response to the overcrowding of public prison facilities and budget constraints. Over the years, the privatization of prisons has developed a stigma. Privatized prisons have come to be associated with a profit incentive to house more prisoners. This correlates with the skyrocketing of incarceration rates and the expansion of privatized prisons. The funding structure for many privatized prisons is designed to pay based on the number of prisoners that are housed. Therefore, the private correctional facilities have a reduced incentive to increase transitional success of released inmates.

Unlike privatized prison facilities, SIBs are designed to incorporate payment to investors based on an outcome, such as the percentage reduction in recidivism, not an input, such as the number of prisoners housed. In this framework, investors are motivated to fund programs that are projected to have a measurable, positive impact. As such, the SIB models are not designed to be profit-maximizing for the investors.

Another point of contention that may be raised about SIBs is that government entities would be reducing their ability to influence and control public services as with the privatization of prisons. While this is a valid concern that should be analyzed by the government entity, it should be noted that government entities at all levels commonly contract with nongovernmental

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organizations to provide social services. In 2009, approximately 200,000 government grants and contracts were established with about 33,000 social service providers, working in areas including employment assistance, housing, community development, youth services, and education, according to a study by the Urban Institute.58

Recommendations

Before entering into an SIB contract, the research team suggests tracking the development of current SIB programs and seeking advice from the individuals involved in those programs. Additionally, state and local government attorneys would likely be able to provide information on the steps needed to appropriate funding. Although program intermediaries appropriate funding prior to implementing the preventive intervention, government funds should not be released unless the intended outcome is achieved.

Because intervention programs are often community-based, the research team suggests building support and buy-in from the Austin community by convening a public forum. The meeting would provide an opportunity to educate others about social impact bonds, as well as providing a platform for discussion between interested parties. At a later stage, a meeting tailored for interested service providers, funders or independent evaluators would be a useful opportunity to answer more technical, program-specific questions. For a political audience, it is recommended to frame the program as advantageous for fiscal conservatives and proponents of government-funded social services alike.

The cost differential between the current remedial programs and the proposed preventive intervention should be considered, in that the preventive intervention should be less expensive than the remedial program. The SIB should provide both savings potentials for government budgets and broader benefits to society; namely, to constituents, taxpayers and people who would have otherwise been affected by the social problem.

Determining the terms of the contract between parties is a fundamental component of SIBs. The agreement articulates the functions of each party throughout the duration of the contract. Contracts are very comprehensive and precise in defining aspects of the social impact bond, such as contract duration, performance measurements and goals, the maximum amount of money to be allocated, the target population(s), and the inclusion of language that enables the service providers to adjust the social program if necessary. Contracts also set the conditions under which the government, service provider and/or financial backer can dissolve the partnership.

Within the contract, setting outcomes for particular phases of the program’s evolution are an accurate measure of whether a social program is on target towards achieving a specific goal or whether it needs to be modified. The preventive intervention should be based on objective, evidence-based methods that not only helps the target population in the SIB, but could be scalable and replicable in other jurisdictions with a similar social condition. SIBs need to contain some flexibility, in that the service providers should have considerable freedom to define the strategy that seeks to achieve the desired outcome.
Conclusion

Social impact bonds are being developed and implemented in state and local governments across the United States. Research is consistent in showing that this model is being seen as an innovative solution to social problems while at the same time addressing current funding issues. Instead of spending taxpayer’s money to fund social programs that are focused on how many people are served, this model changes the focus to initiating evidence-based programs that target specific populations and are only funded by a government entity if a pre-determined measureable outcome is achieved. Interim results of current SIB programs are positive; however, it must be noted that no SIB programs have reached completion. Therefore, there is currently no conclusive evidence substantiating the success of this model.
# Matrix of Common Elements of Social Impact Bond Programs by State

<table>
<thead>
<tr>
<th>Location</th>
<th>Area of Focus</th>
<th>Project Lead</th>
<th>Stage as of November 2013</th>
<th>Project Investor</th>
<th>Project Intermediary</th>
<th>Service Provider</th>
<th>Project Evaluator</th>
</tr>
</thead>
<tbody>
<tr>
<td>Denver, Colorado</td>
<td>Early childhood education; At-risk youth; Supportive housing; Homelessness prevention</td>
<td>SIB Lab at Harvard Kennedy School</td>
<td>Denver issued RFI from intermediaries, due October 2013</td>
<td>The Rockefeller Foundation; Laura and John Arnold Foundation</td>
<td>City of Denver Office of Human Rights and Community Partnerships</td>
<td>TBD</td>
<td>TBD</td>
</tr>
<tr>
<td>Illinois</td>
<td>Reduce recidivism for juvenile offenders by increasing housing stability, educational achievement and living-wage opportunities upon re-entry</td>
<td>SIB Lab at Harvard Kennedy School</td>
<td>RFP for partners with history of successful evidence-based programs issued September 2013; results pending</td>
<td>The Rockefeller Foundation; Laura and John Arnold Foundation</td>
<td>Governor’s Office of Management and Budget</td>
<td>RFP issued, results pending</td>
<td>TBD</td>
</tr>
<tr>
<td>Massachusetts</td>
<td>Reduce recidivism for juvenile offenders and those experiencing chronic homelessness, 380 supportive housing units and increasing job skills and links to employment</td>
<td>State of Massachusetts</td>
<td>Programs in progress as of fall 2013, the contract has been established for five years of service, evaluation and payment deadlines are still under negotiation</td>
<td>U.S. Department of Labor</td>
<td>Third Sector Capital Partners; New Profit Inc.</td>
<td>Roca; Youth Options Unlimited and the United Way of Massachusetts Bay and Merrimack Valley</td>
<td>TBD</td>
</tr>
<tr>
<td>Michigan</td>
<td>Criminal justice; Human services</td>
<td>SIB Lab at Harvard Kennedy School</td>
<td>RFP released September 2013; results to be issued by January 2014</td>
<td>The Rockefeller Foundation; Laura and John Arnold Foundation</td>
<td>Michigan Department of Technology, Management &amp; Budget Procurement</td>
<td>TBD</td>
<td>TBD</td>
</tr>
<tr>
<td>New York state</td>
<td>Health care; Child welfare; Early childhood development; Public safety</td>
<td>New York State Division of Budget</td>
<td>RFP for partners with history of successful evidence-based programs issued September 2013; results pending</td>
<td>RFP issued, results pending</td>
<td>RFP period closed, results pending</td>
<td>TBD</td>
<td>TBD</td>
</tr>
<tr>
<td>South Carolina</td>
<td>Cost-efficient infant/toddler healthcare for South Carolina Medicaid enrollees</td>
<td>MDRC</td>
<td>RFIs from service providers due November 2013, results pending</td>
<td>The Rockefeller Foundation; Laura and John Arnold Foundation</td>
<td>South Carolina Department of Health and Human Services</td>
<td>The Nurse Family Partnership through the South Carolina Department of Health and Human Services</td>
<td>TBD</td>
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<tr>
<td>Connecticut</td>
<td>Substance abusers affiliated with the state’s child welfare program</td>
<td>SIB Lab at Harvard Kennedy School</td>
<td>Connecticut Department of Children and Families was chosen as the project lead in June, 2013.</td>
<td>The Rockefeller Foundation; Laura and John Arnold Foundation</td>
<td>Connecticut Department of Children and Families</td>
<td>Connecticut Department of Children and Families</td>
<td>TBD</td>
</tr>
<tr>
<td>Rikers Island, NYC</td>
<td>Reduce recidivism for juvenile offenders through cognitive-behavioral therapy interventions</td>
<td>MDRC</td>
<td>Program began collecting data in January 2013. The first program evaluation will take place in summer 2013.</td>
<td>Goldman Sachs</td>
<td>MDRC</td>
<td>The Osborne Association and Friends of the Island Academy</td>
<td>TBD</td>
</tr>
</tbody>
</table>
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